

MINUTES OF THE SCHOOL BOARD AUDIT AND BUDGET ADVISORY COMMITTEE

OF MIAMI-DADE COUNTY PUBLIC SCHOOLS

December 1, 2015

The School Board Audit and Budget Advisory Committee (ABAC) met on Tuesday, December 1, 2015, in the School Board Administration Building, Conference Room 916, at 1450 N.E. Second Avenue, Miami, Florida.

Members Present:

Voting:

Mr. Rayfield McGhee, Jr., Esq., Vice Chair
Mr. Juan del Busto
Mr. Nestor Caballero, CPA MST CGAP
Dr. Lawrence S. Feldman, School Board Member
Ms. Marian L. Hasty, Esq.
Ms. Susan Marie Kairalla
Mr. Isaac Salver, CPA
Mr. Ernie Saumell, CPA
Mr. David Schwartz
Mr. Christopher Norwood, J.D.
Mr. Erick Wendelken, CPA

Members Absent:

Mr. Roland Sanchez-Medina, Jr., Esq., Chair
Mr. Joseph Gebara, PTSA/PTA President
Mr. Albert Lopez, CPA

Non-Voting:

Mrs. Judith M. Marte, Chief Financial Officer

Call to Order

The ABAC's Vice Chair Mr. Rayfield McGhee, Jr. acted as chair because the ABAC's Chair, Mr. Sanchez-Medina, could not attend due to a personal matter. Mr. McGhee called the meeting to order at 12:32 p.m. and warmly welcomed everyone in attendance.

Mr. McGhee also welcomed the newest alternate member of the ABAC, Mr. Juan Carlos del Valle. Mr. del Valle introduced himself as the representative for School Board Member Ms. Susie V. Castillo and stated that he works at the University of Miami Office of Government and Community Relations.

The Chair announced the re-election of School Board Chair, Ms. Perla Tabares Hantman and the election of Dr. Dorothy Bendross-Mindingall as School Board Vice Chair. The Committee warmly applauded and congratulated Ms. Hantman and Dr. Bendross-Mindingall for their election.

1. Welcome, Introductions and Moment of Reflection

The Chair requested all in attendance to introduce themselves, which they did. The following persons were present:

Ms. Perla Tabares Hantman, School Board Chair	Mr. Jon Goodman, Executive Audit Director
Ms. Lubby Navarro, School Board Member	Ms. Nicki L. Brisson, Executive Director
Ms. Raquel Regalado, School Board Member	Ms. Terri Chester, Executive Director
Mr. Alberto M. Carvalho, Superintendent	Mr. Michael Fox, District Director
Mr. Juan Carlos (JC) del Valle, Alt. ABAC Member	Ms. Tamara Wain, District Supervisor
Mr. Kimrey Newlin, Alt. ABAC Member	Mr. Christopher Morgan, Director
Mr. Walter J. Harvey, School Board Attorney	Mr. Luis Baluja, Supervisor
Mr. Jose L. Dotres, Chief Human Capital Officer	Mr. Ivo Gomez, Claims Compliance Officer
Mrs. Valtena G. Brown, Dep. Supt./Chief Oper. Officer	Ms. Elvira Sanchez, Audit Coordinator
Mr. José F. Montes de Oca, Chief Auditor	Ms. Mariela Jimenez-Linaje, Audit Specialist
Ms. Connie Pou, Controller	Ms. Pamela L. Davis, Staff Auditor II
Ms. Deborah C. Karcher, Chief Information Officer	Sergeant Bradley Rosh, MDCPS Police
Ms. Lisa Martinez, Chief Strategy Officer	Detective Alvin S. Marin, MDCPS Police
Mr. Ron Steiger, Chief Budget Officer	Ms. Jackeline Fals, Chief of Staff
Ms. Enid Weisman, Human Capital	Ms. Raquel A. Alexander, Administrative Assistant
Ms. Melody Thelwell, Chief Procurement Officer	Ms. Marisol Marin, Administrative Assistant
Mr. Leonardo Fernandez, Treasurer	Ms. Maria Teresa Rojas, Administrative Assistant
Ms. Daisy Naya, Assistant Controller	Ms. Dalia Rosales, Administrative Assistant
Mr. Luis Garcia, Deputy School Board Attorney	Ms. Jennifer Rojo Suarez, Administrative Assistant
Ms. Mindy McNichols, Asst. School Board Attorney	Mr. Pierre Funderburk, Intern
Ms. Joyce Castro, Assistant Superintendent	Ms. Elsa Berrios-Montijo, Staff Assistant
Mr. Steffond L. Cone, Assistant Superintendent	Ms. Lucila I. Gonzalez, Administrative Secretary
Mr. Robert G. Gornto, Assistant Superintendent	Ms. Lawandra Houston, District Adm. Asst.
Mr. Carl Nicoleau, Assistant Superintendent	Mr. Daniel J. Garo, Clerical Assistant
Ms. Tiffanie Pauline, Assistant Superintendent	Mr. Jorge Perez-Alvarez, CFO., WLRN
Dr. Ana M. Rasco, Assistant Superintendent	Mr. John Labonia, General Manager, WLRN
Ms. Barbara Mendizabal, Region Superintendent	Ms. Jodi Grossman, Accountant, WLRN
Dr. Albert Payne, Jr., Region Superintendent	Mr. Felix Jimenez, Assistant Inspector General
Ms. Vivian M. Santiesteban-Pardo, Region Supt.	Mr. Thomas Knigge, OIG, Supervisor Special Agent
Ms. Maria T. Gonzalez, Asst. Chief, School Audits	Ms. Cynthia Borders-Byrd, CPA,
Mr. Julio Miranda, Asst. Chief, Investigations	Mr. Donovan Maginley, Partner, RSM LLP
Mr. Trevor L. Williams, Asst. Chief, District Audits	Mr. Anil Harris, Auditor, RSM LLP
Ms. Tabitha Fazzino, Administrative Director	Mr. Carlos M. Trueba, CPA, Rodriguez & Trueba Co.
Ms. Cynthia Gracia, Administrative Director	Mr. Gerry Donates, Mgr., Rodriguez & Trueba Co.
Mr. Edward A. McAuliff, Chief Info. Security Ofcr.	Ms. Lauren Kairalla
Mr. Richard Yanez, Audit Director	Mr. Dan Ricker, Watchdog Report

2. Approval of the Minutes of the School Board Audit and Budget Advisory Committee Meeting of September 29, 2015

The Chair drew the members' attention to the minutes for the ABAC meeting of September 29, 2015, and asked whether any members had any suggested revisions or questions related to the contents of the proposed minutes.

There being no questions, Dr. Feldman moved and Ms. Kairalla seconded the approval of the minutes to serve as the memorialization of the September 29, 2015, ABAC meeting. The motion carried unanimously.

AUDIT REPORTS:

3. Presentation of the Comprehensive Annual Financial Report, Auditor's Communication of Audit Results, Management Letter and Single Audit For Fiscal Year Ended June 30, 2015

Mr. Donovan Maginley, Engagement Partner from RSM US LLP, provided a brief synopsis of the above-referenced report and noted that Comprehensive Annual Financial Report (CAFR) contained an unmodified opinion on the financial statements (commonly referred to as a clean opinion which is the highest level of assurance on a financial audit) and emphasized that the Governmental Accounting Standards Board 68 (GASB68 – recognition of the liability of pensions and financial statements) is embedded in the financial statements. Secondly, Mr. Maginley highlighted that the Single Audit report which encompassed expenditures of approximately \$500 million of federal program funds, also contained a clean opinion and had no questioned costs. There were two non-material findings relating to internal controls which were not considered significant to affect the opinion. Lastly, Mr. Maginley informed the Committee that the Management Letter contained one finding which was not considered a significant deficiency, either. He stated that the Management Letter includes prior year's comments and proactive steps taken by management to address the issues.

The Chief Auditor congratulated the administration and specifically recognized Mrs. Judith Marte, Mrs. Connie Pou, Mrs. Iraida Mendez-Cartaya and Dr. Magaly Abrahante for their accomplishments on their reports. He then announced that since the ABAC meeting preceded the School Board meeting by one day, he will be transmitting the three reports that are required to be transmitted to the School Board at the December 2015 meeting, and the remaining three reports will be transmitted to the January 2016 School Board meeting.

Ms. Kairalla commended the administration for a remarkable job.

Dr. Feldman congratulated Mr. Maginley for a great job and for acknowledging Moody's rating in the report. He asked why there was a decrease of 4.2% in State revenue on page 10 of the CAFR. Ms. Pou stated that the State revenue is mostly derived from the Florida Education Finance Program (FEFP) and explained that the 4.2% decrease is due to the District not having received a special allocation of approximately \$60 million from the Governor, as had occurred last year. Dr. Feldman also noticed that the workers' compensation liability on page 68 of the CAFR, has increased and asked if the District has implemented any strategies to reduce these large costs. Mrs. Marte emphasized that the District has implemented many strategies to reduce the cost of workers' compensation and explained that the numbers on the report are based on actuarial analyses of projected cost for an extended period of time, dating back to 1974 when the District became self-insured. Dr. Feldman was pleased with the response.

The Committee gave accolades to the Superintendent, administration and external auditors for a great job.

The Superintendent thanked the Committee, the Chief Auditor and external auditors for their diligence and oversight that lead to great results. He commented that he is very proud of the work performed by the financial staff and very pleased with the results of the audits.

There were no further comments. A motion was made by Mr. Salver, seconded by Mr. Wendelken, which carried unanimously, to recommend that the **Presentation of the Comprehensive Annual Financial Report, Auditor's Communication of Audit Results, Management Letter and Single Audit For Fiscal Year Ended June 30, 2015** be received and filed by the School Board.

4. Presentation of the Annual Financial Statements, Educational Facilities Impact Fee Fund for Fiscal Year Ended June 30, 2015

Ms. Cynthia Borders-Byrd, LLP, Managing Member, gave a brief overview of the above-referenced report and stated that total assets increased by approximately \$3 million and there were no findings. Ms. Borders-Byrd thanked staff for their support during the audit. She welcomed any questions.

There were no questions. A motion was made by Mr. del Busto, seconded by Mr. Feldman, which carried unanimously, to recommend that the **Presentation of the Annual Financial Statements, Educational Facilities Impact Fee Fund for Fiscal Year Ended June 30, 2015** be received and filed by the School Board.

5. Audit of WLRN Television and Radio Stations for Fiscal Year Ended June 30, 2015

Mr. Carlos Trueba, Partner, Rodriguez, Trueba & Co. P.A., presented the above-referenced report. Mr. Trueba stated that this report contains an unmodified opinion; no findings; and there were no disagreements with management. He also cited a long list of accounting requirements that were met and stated that there was no consulting fees paid by management during the audit. Mr. Trueba commented that it was a pleasure working with staff of WLRN and Friends of WLRN. He welcomed any questions.

There were no questions. A motion was made by Mr. Salver, seconded by Ms. Kairalla, which carried unanimously, to recommend that the **Audit of WLRN Television and Radio Stations for Fiscal Year Ended June 30, 2015** be received and filed by the School Board.

6. a) Monthly Financial Report Unaudited – For the Period Ending September 2015 b) Moody's Rating Agency Affirmation and Outlook Change

- a) Mrs. Judith M. Marte, Chief Financial Officer, noted that the District's financial operations are performing as budgeted, without any major variances of concern at this point.
- b) Mrs. Marte emphasized that Moody's rating was a huge goal accomplishment for the District because it will allow for refunding of existing debt at savings of millions of dollars over the life of the bonds. She thanked Mr. Leonardo Fernandez, Treasurer, for his outstanding performance that lead to the improved Moody's rating. She then welcomed any questions.

The Committee was very pleased with the results.

The Superintendent also announced that at the next ABAC meeting he will be providing a comprehensive conversation pertaining to concerns and expectations regarding the District's next year budget.

There were no questions. These reports were presented for informational purposes only; therefore, no transmittal to School Board by the ABAC was required.

7. Internal Audit Report - Selected Schools/Centers

The Chief Auditor introduced the above-referenced report and stated that eleven of the 46 schools had findings. He explained that two of these school audits (North Miami Senior and Miami Palmetto Senior High Schools) had major findings related to misappropriation of funds, which were perpetrated by the former school treasurers. Mr. Montes de Oca noted that both of the treasurers have resigned their positions and both cases were referred to the State Attorney's Office (SAO) for prosecution. The SAO is prosecuting the treasurer from North Miami Senior High School, but declined to prosecute the treasurer at Miami Palmetto Senior High School due to lack of conclusive evidence and much smaller materiality of the theft. He recognized Ms. Pamela Davis, Staff Auditor II, and Ms. Mariela Jimenez-Linaje, Audit Specialist, for a great job in detecting these misappropriations. He then yielded the floor to Ms. Maria T. Gonzalez, Assistant Chief Auditor, who welcomed any questions.

The Superintendent stated that the case at Miami Palmetto Senior was internally detected and that both employees in question are no longer associated with M-DCPS. He said that one of the employees is going through prosecution with full intent towards restitution.

Ms. Kairalla suggested having an online payment system to handle yearbook company sales to avoid similar problems at the schools. Ms. Gonzalez explained that there is an optional online payment agreement system (ACELO Program) with the yearbook company in which the schools can participate. Ms. Brown indicated that there are six senior high schools that are in the pilot online payment system and by the end of the year all schools should be on board.

Ms. Regalado observed that parents have complained about the afterschool care program payment procedures and suggested having a payment system online for the afterschool care program.

Mrs. Marte indicated that by the next school year every school will have an online system to allow payment from parents and emphasized that it involves a huge effort to retrain the entire treasury and financial services staff.

Ms. Hantman concurred with Ms. Regalado regarding parent complaints about the afterschool care program payment procedures and asked if there is a reason why a student, not doing well in the afterschool care activity class, are not allowed to change to another afterschool care activity class once they started a class. Ms. Brown responded that the

reason may be that the afterschool care teachers are funded by the number of students that are registered for the class.

Mr. del Busto applauded the online payment system but cautioned having cyber security in place to monitor the alarming rate of electronic fraud.

Dr. Feldman expressed at length optimism about the micro view on how the District maintains very strict and authentically professional procedures and thanked Mrs. Marte and her staff for the ACELO Program that will allow students and parents to make payments online which will minimize fraud and paperwork.

Ms. Hantman made an announcement reappointing Dr. Feldman as the School Board representative to the ABAC, Ms. Regalado as the alternate and Mr. Wendelken to remain as her appointee to the ABAC.

The Chair asked Ms. Gonzalez to enlighten the Committee about the other schools with findings. Ms. Gonzalez gave a brief overview of page one of the report which illustrates a table of the eleven schools with findings. The Committee members partook in a spirited discussion regarding the findings, Full-Time Equivalency (FTE) audits, the potential risks involving the collection of cash funds at the schools, and training possibilities for principals and school staff. Ms. Brown explained that training has been increased and is more targeted; and school staff and administration including new principals are receiving monthly training and are assigned mentors to prevent findings.

The Chief Auditor noted that the FTE audit findings have decreased substantially as a result of the Auditor General's audit findings approximately seven years ago. Dr. Feldman indicated that the District directs administrators from the Region office to provide surveys and samples to monitor the schools.

Ms. Regalado suggests having an anonymous year-end training feedback to reevaluate of what is going on at the school site.

Ms. Gonzalez thanked staff for their diligent work and Dr. Feldman for his remarks.

There were no further questions. A motion was made by Mr. Salver, seconded by Mr. del Busto, which carried unanimously, to recommend that the **Internal Audit Report – Selected Schools/Centers** be received and filed by the School Board.

8. Audit of District's Surplus Equipment and Vehicle Auctions for FY 2014-15

The Chief Auditor introduced the above-referenced report and stated that there were unauthorized payments totaling \$24,000 made to the Auctioneer in addition to the amount paid through the competitive bid during the last three fiscal years. He also stated that the expenditures were not properly reported to the Board. He noted that a concurrent investigation was conducted by the Civilian Investigative Unit (CIU) which found that the administrator in question violated School Board procedures regarding purchasing.

Mrs. Marte stated that when the allegations were brought to the attention of the administration, immediate action was taken initiating a full investigation. Mrs. Marte said that these issues are taken very seriously and once the results of the investigation are obtained, personnel action will be taken through the Office of Professional Standards, which may include suspension, demotion and/or termination.

The Chair asked if the \$24,000 in question will be recovered. Mrs. Marte explained that the \$24,000 may not be recoverable because these funds were spent on additional services rendered outside the scope of the contract at the request of the Stores & Distribution (S&D) Department, but that the School Board Attorney's Office is looking into the matter.

Mr. Trevor L. Williams, Assistant Chief Auditor, noted that this issue is an unfortunate situation not acceptable by any employee and stated that the audit demonstrated a need for better controls to be in place and a better review of these practices. He indicated that the administration has agreed to take appropriate action to ensure that this issue does not happen again in the future and welcomed any questions.

The Chair asked if the services rendered outside the scope of the contract benefit the School Board, Mr. Williams responded in the affirmative.

Mr. Saumell asked what kind of controls have been implemented to make sure that this situation does not happen again. Mr. Williams explained that the report contains several recommendations pertaining to types of controls that are necessary to ensure proper procedures are followed and stated that the administration has responded that the controls have been implemented. He then yielded the floor to Chief Financial Officer. Mrs. Marte explained that S&D started reporting to Financial Services on July 1, 2015, under the Superintendent's reorganization. Mrs. Marte explained that when she found out about these problems, she suspended auction activities immediately and has put out a new bid for services which will be opened on January 5, 2016. She has also segregated the duties of the auction by having the Office of the Controller receipt and deposit the collections in future auctions. Mrs. Marte expressed confidence that going forward the policies now in place will be followed and the reporting to the Board will be accurate.

Dr. Feldman expressed his discontent with the actions of an administrator who would intentionally circumvent bid agreements and established procedures, and whose concealed actions clearly demonstrated not an error in judgment, but an error in character and unacceptable behavior. He pointed out that under School Board Policy 6320, an employee who knowingly makes an unauthorized payment is responsible for restitution of the payment. He stated that the actions of this administrator are an insult and could potentially damage the good work and reputation of the Superintendent and the School Board as a whole. He, therefore, is of the opinion that the administration should take these potential consequences into account before making the final determination.

There were no further questions. A motion was made by Mr. Norwood, seconded by Ms. Kairalla, which carried unanimously, to recommend that the **Audit of District's Surplus Equipment and Vehicle Auctions for FY 2014-15** be received and filed by the School Board.

9. Presentation for 35 of 125 Charter Schools Audited Financial Statements Fiscal Year Ended June 30, 2015

The Chief Auditor introduced the above-referenced report and stated that there are 35 schools without significant fiscal concerns and was satisfied with the responses provided by the schools' administration where requested and welcomed any questions.

Mr. Caballero recused himself from participating in discussion or voting on any matters regarding the City of Hialeah Education Academy, Inc., due to potential conflict of interest (see attached form). A motion was made by Mr. Salver, seconded by Ms. Kairalla, which carried unanimously, to separate the school which Mr. Caballero identified from the rest of the schools for discussion and voting.

Mr. Norwood expressed concern regarding Coral Reef Montessori School's \$387,000 agreement with a private afterschool care program and asked for an explanation. Mr. Goodman stated that this issue also raised a red flag with the OMCA and that they have inquired and followed-up on responses the school provided and were satisfied with the responses. Mr. Goodman added that the school was reimbursed for services provided, but if the Committee desires further review, he will be happy to do so and provide a follow-up. The Chief Auditor stated that in the abundance of caution and concerns of the Committee, he will provide a follow-up at the next ABAC meeting.

Mr. Norwood asked about the Beacon College Prep Charter School's additional loan of \$375,000 noted in the financial report and asked if the school has a loan agreement in place. Mr. Goodman responded that there is an agreement in place and the loan cannot be called.

Mr. Norwood inquired about the status of the District's procedures addressing the Charter School's transfer of funds which had been brought to the ABAC's attention before. The Chief Auditor stated that at the request of the ABAC, the administration is in the process of drafting a School Board Policy to address the transfer of funds issues and yielded the floor to the administration for further explanation. Ms. Tiffanie Pauline, Assistant Superintendent, stated that her office sent a generic letter to all charter schools advising them about the draft School Board Policy, which is being considered to go before the School Board for first reading at the January 2016 meeting. Ms. Pauline indicated that she will also be working with the OMCA to identify specific schools that may have violated the policy. Mr. Norwood thanked the administration for the information provided.

The following motions took place:

Due to Mr. Caballero's recusal pertaining to the City of Hialeah Educational Academy, Inc., a motion was made by Mr. Salver, seconded by Ms. Karalla, which carried unanimously, to recommend that the **Presentation for 34 of 125 Charter Schools Audited Financial Statements Fiscal Year Ended June 30, 2015** be received and filed by the School Board.

A motion was made separately by Mr. Salver, seconded by Ms. Kairalla, which carried unanimously, to recommend that the **City of Hialeah Educational Academy, Inc. Audited Financial Statements FYE June 30, 2015** be received and filed by the School Board.

Due to the tabling of Coral Reef Montessori Academy Charter School audit report, a motion was made by Mr. Salver, seconded by Ms. Kairalla, which carried unanimously, to rescind the first vote and to recommend that the **Presentation for 33 of 125 Charter Schools Audited Financial Statements Fiscal Year Ended June 30, 2015** as modified be received and filed by the School Board.

A motion was made by Dr. Feldman, seconded by Ms. Kairalla, which carried unanimously, to place the audit report of Coral Reef Montessori Academy Charter School on the agenda under Old Business awaiting a report from the Chief Auditor.

10. Office of the Inspector General

a) Annual Report 2014-2015

b) Announcement of Arrest Involving the Principal of the North Miami Adult Educational Center for Hiring No-Show employee, Ref. SB-1314-1014

- a) Mr. Thomas Knigge, Supervisory Special Agent from the Office of the Inspector General (OIG) presented the OIG's Annual Report for the 2014-2015 fiscal year and stated that this report is provided pursuant to the interlocal agreement between Miami-Dade County Schools and the OIG. He gave a brief overview of the report and emphasized that Mr. Jaime Rosenberg is the new Assistant Inspector General for audit noting that he has extensive experience in the audit field and spoke about the OIG monitoring and providing oversight for the 21st Century Bond Program. On a separate topic, Mr. Knigge noted that as committed, Ms. Mary Cagle, Inspector General, will provide a follow-up on the Value Adjustment Board and the Property Appraisal Office report to this Committee and the School Board.
- b) Mr. Knigge presented the above-referenced report involving North Miami Adult Education Center and welcomed any questions. The Chief Auditor added that the report in question is an announcement of what transpired and that the final investigation report will be brought to this Committee once it is completed. Mr. Knigge gave accolades to Mr. Larry Riley, Special Agent, for a great job on this investigation.

The Superintendent noted that there is a *Miami Herald* article that elaborates of what transpired at North Miami Adult Education Center and stated that this is an unacceptable behavior from an adult education school principal. He emphasized that the District's collaboration with the OIG and the State Attorney's Office helped in the arrest of the individual in question. He hopes that this issue will send a strong message to every employee that any breach of ethics, law or policy will be dealt with aggressively. Mr. Carvalho expressed that this is not a pleasant situation, but it is very important to establish the proper consequences to help diminish the opportunity for it to happen again.

There were no questions. These reports were presented for informational purposes only; therefore, no transmittal to School Board by the ABAC was required.

11. Office of Management and Compliance Audits' Activity Report

The Chief Auditor presented the above-referenced report, and noted that it contains an update of the OMCA's completed and ongoing activities since the last ABAC meeting. He welcomed any questions.

There were no questions. This report was presented for informational purposes only; therefore, no transmittal to School Board by the ABAC was required.

Old Business:

12. Response to Concerns Regarding the Audit of Selected Financial, Real Estate and Operational Transactions and Contractual Arrangements: Keys Gate Charter High School

The Chief Auditor stated that the above-referenced topic relates to a report that was brought to the last ABAC meeting and re-addressed at this meeting as part of a follow-up. He then yielded the floor to the School Board Attorney for any questions.

Mr. Harvey pointed out that the report is not a transfer of funds issue and that it pertains to \$500,000 payment where it cannot be established whether the payment was made for construction services. He said that the attorneys representing Red Apple (Keys Gate Charter School representatives) had suggested for OMCA to sign a non-disclosure agreement in order for their clients to provide the requested documents. He stated that because public entities cannot sign such agreements, the documents have not been produced to date. Mr. Harvey will continue to work with OMCA staff on this issue. The Chief Auditor noted that he is also working with the OIG and other agencies on this matter.

There was an extensive discussion regarding the issue of transfer of funds among charter schools. Mr. Harvey explained that the transfers of funds that were improperly made by a charter school, especially out of county, is a violation of State statute and will be pursued with those charter schools that fail to comply. He emphasized that, as previously discussed, the administration is drafting policies addressing this topic which will be presented to the School Board.

The Chair requested that the Committee be kept apprised of the Keys Gate Charter School issue.

There were no further questions. This topic was presented for informational purposes only; therefore, no transmittal to School Board by the ABAC was required.

New Business:

- **Schedule date for the July 2016 ABAC Meeting – July 19, 2016**

The Chief Auditor explained that the above-referenced date was not provided at the July 2015 ABAC meeting for approval because the School Board meeting dates for the 2015-2016 school year were not approved until November 2015. He communicated with the Chief Financial Officer, Mrs. Judith Marte, and they agreed that July 19, 2016, is the best date for the ABAC to discuss the budget.

A motion was made by Dr. Feldman, seconded by Ms. Kairalla, which carried unanimously, to adopt July 19, 2016, ABAC meeting date to discuss the budget.

Adjournment

There being no further business to come before the Committee and upon motion duly made and seconded, the meeting was adjourned by Mr. McGhee at 2:30 p.m.

/lig

Attachment

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME Caballero Nestor		NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE School Board Audit and Budget Advisory Committee	
MAILING ADDRESS 4649 Ponce de Leon Blvd. Suite 404		THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF:	
CITY Coral Gables		COUNTY Miami-Dade	<input type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input checked="" type="checkbox"/> OTHER LOCAL AGENCY
DATE ON WHICH VOTE OCCURRED 12/1/2015		NAME OF POLITICAL SUBDIVISION:	
		MY POSITION IS: <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTIVE	

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which inures to his or her special private gain or loss. Each elected or appointed local officer also is prohibited from knowingly voting on a measure which inures to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent organization or subsidiary of a corporate principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you otherwise may participate in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on other side)

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Nestor Caballero, hereby disclose that on December 1, 20 2015.

(a) A measure came or will come before my agency which (check one)

- ☒ inured to my special private gain or loss;
- ☐ inured to the special gain or loss of my business associate, _____;
- ☐ inured to the special gain or loss of my relative, _____;
- ☐ inured to the special gain or loss of _____, by
whom I am retained; or
- ☐ inured to the special gain or loss of _____, which
is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Item 9 on the agenda. My firm (Alberni Caballero & Fierman LLP), serves as the independent auditing firm of the City of Hialeah Education Academy, Inc. Whose audit report is presented for approval.

Date Filed

11/30/15

Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.