



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

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

*The Financial Statements Were Fairly Stated  
For All 39 Schools/Centers In This Report.*

*At Six Schools/Centers, The Execution Of  
The Bookkeeping Function And The  
Organization Of The Records, Controls Over  
The Disbursement Of Funds And  
Fundraisers, Adherence To P-Card/Title I  
Program Disbursement Documentation  
Guidelines, Oversight Of Payroll And FTE  
Records And Procedures, And The  
Management Of Property Need  
Improvement.*

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

**June 2017**

## **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

**Miami-Dade County School Board**

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July 6, 2017

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 39 schools/centers currently reporting to the North Region Office, the Central Region Office, or the South Region Office within School Operations. The audit period of one of the 39 schools/centers is two fiscal years ended June 30, 2016, while the audit period of the remaining 38 schools/centers is one fiscal year ended June 30, 2016. At three schools/centers, there was a change of Principal/Administrator since the prior audit.

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 39 schools/centers. On a selected basis, we reviewed Title I Program procedures and Full-Time Equivalent (FTE) reporting and student records. Generally as part of audit follow-ups, we reviewed payroll, the Purchasing Card program, and certain aspects of school site data security. The audits also included the results of property inventories of all 39 schools/centers reported herein, as well as the property inventory results of other schools/centers that were performed by us during this fiscal year and were pending publication.

Audit results proved satisfactory at 33 of the 39 schools/centers reported herein, and property inventory results for most schools/centers were also satisfactory. Notwithstanding the individual school findings included in this report, the financial statements of all 39 schools/centers reported herein were fairly stated. At six schools/centers, our audits identified weaknesses in the execution of the bookkeeping function and the supporting documentation, improper controls over the disbursement of funds and fundraisers, lapses in compliance with Purchasing Card/Title I programs and payroll's records and procedures, discrepancies with FTE records and procedures and inadequate controls over the management of property.

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 39 schools/centers. These include 21 that report to the North Region Office; 12 that report to the Central Region Office; and six that report to the South Region Office. For one of the schools/centers reported herein, the scope of the audit was two fiscal years ended June 30, 2016. For the remaining 38 schools/centers, the scope of the audit was one fiscal year ended June 30, 2016. At three schools/centers, there was a change of Principal since the prior audit.

The audits disclosed that 33 of the 39 schools/centers reported herein maintained their records in good order and in accordance with prescribed policies and procedures. The six schools/centers with audit findings and the affected areas are as follows:

Work Loc. No.	Name Of School/Center <i>Principal's Tenure</i>	Region Office	Change Of Principal Since Prior Audit	Prior Audit Findings At School/Center	Current Audit Total Findings Per School/Center	Finding Per Category						
						Internal Funds			Unloc. Property	Payroll Doc./ Sign-In Proc.	P-Card/ Title I	FTE-OJT
						Book-keeping/ Financial Mgt.	Disbursements	School Fund-raisers				
6051	1. Carol City Middle <i>Change of Principal in June '16. Current and prior audit findings under former Principal (similar area-Disbursements).</i>	North	Yes	Yes	1		1					
6631	2. North Miami Middle <i>Current and prior audit findings under same Principal (different areas).</i>	North	No	Yes	2	1	1					
7201	3. Miami Beach Senior High <i>Current and prior audit finding under same Principal (different areas).</i>	North	No	Yes	1				1			
2501	4. Holmes Elementary <i>Same Principal as in prior audit-no change.</i>	Central	No	No	2					1	1	
7731	5. Miami Southridge Senior High <i>Same Principal as in prior audit-no change.</i>	South	No	No	1							1
7371	6. Robert Morgan Ed. Center (Senior High) <i>Change of Principal in June '16. Audit finding under former Principal.</i>	South	Yes	No	1			1				
	<b>TOTAL</b>	<b>6</b>			<b>8</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>

As depicted in the table above, we noted certain deficiencies in the execution of the bookkeeping function and the organization of the internal funds records, improper controls over the disbursement of funds and over fundraisers, lapses in compliance with sign-in payroll procedures and payroll records, discrepancies with the Purchasing Card (P-Card) Program's supporting documentation (some of which involved purchases made with Title I Program funds), inconsistencies with FTE records and procedures, and inadequate controls over the management of property. The table also illustrates

whether a change of Principal since the prior audit occurred, the tenure of the administration under which the finding was assessed, and whether findings were recurrent/consecutive. More specific details regarding prior/current findings, names of Principals and timeframes of their administrative assignments are provided on pages 22-29 of this report.

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 22-25. Responses are included following the recommendations in the *Findings and Recommendations* section of this report (Pages 40-75); and in the *Appendix Section* in memorandum format (Pages 86-104).

*Notwithstanding the conditions and findings reported herein, at all 39 schools/centers included in this report, 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 30-31), 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 30-31) up to June 30, 2016, on the full accrual basis of accounting.*

*As of June 30, 2015, for one<sup>1</sup> school/center reported herein, total receipts and disbursements amounted to \$528,494.38 and \$(546,748.95), respectively; while total cash and investments amounted to \$129,643.68 (Page 12).*

*As of June 30, 2016, for all 39 schools/centers reported herein, total combined receipts and disbursements amounted to \$7,377,495.06 and \$(7,321,772.02), respectively; while total combined Fund Balance amounted to \$1,898,374.54 (Pages 13-16).*

*Notwithstanding the conditions and findings reported herein, as of June 30, 2016, the internal control structure at all 39 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. With respect to the items tested, the schools/centers were in general compliance with the policies and procedures in the Manual of Internal Fund Accounting, except for those instances of non-compliance identified and reported at the individual schools/centers.*

*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 one school/center with a two-year audit (2014-2015 and 2015-2016) and 38 schools/centers with a one-year audit (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 39 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	0
Cohort 1	11/24/2015	12/1/2015	9
Cohort 2	1/27/2016	2/1/2016	15
Cohort 3	2/24/2016	3/1/2016	15
Total Schools/Centers			39

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 30-31 for dates specific to each school/center reported herein.

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<sup>2</sup> Please, refer to *Background Section* on pages 78-80 for additional details.

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

Internal funds records and procedures were reviewed at all 39 schools/centers. At 36 of the 39 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:

- At Carol City Middle, *the findings noted herein happened under the tenure of the former Principal who resigned from the school system in June 2016. A new Principal was appointed to this school in July 2016.* Our review of disbursements for the 2015-2016 fiscal year disclosed expenditures that were inappropriately paid by the school or that were charged to an account not allowed under the guidelines. Regarding the payment made to the former Principal for a personal fine that was inappropriately charged to the internal funds of the school, according to the North Region administration, the former Principal was contacted regarding this matter, and she plans to reimburse the school. At the time of this publication, the reimbursement is pending. Our review also disclosed that the documentation supporting some of these disbursements was incomplete or missing. In addition, several internal fund accounts closed the fiscal year with deficit balances, which indicate that the former school administration was not properly monitoring overall spending. The Treasurer who worked at the school during the audit period transferred to another school in July 2016. The school was able to hire a new Treasurer on a part-time basis (Pages 40-45).
- At North Miami Middle School, *the Treasurer left for another position with a District department in December 2016. All issues noted herein happened under her tenure.* Our review of the financial records for the audit period and the current year up to December 2016 disclosed discrepancies with the oversight of account balances and the documentation and timelines involving the collections of funds. As of the end of the 2015-2016 fiscal year, several Trust Program accounts closed the year with negative balances, and the Collections/Deposits Log [FM-7249] was not properly maintained (this log is required to document those collections that remained at the school overnight pending deposit). In addition, our review of disbursements disclosed that the school did not always follow the proper procedures for making and documenting disbursements, or for charging expenditures to the appropriate account. Regarding disbursements of \$1,000 or more, we noted instances where the minimum of three written vendor quotations were not obtained, or those obtained did not include one quotation from a certified minority enterprise. In addition, the Fund 9 account was not replenished in a timely manner (Pages 46-49 and 50-53).
- At Robert Morgan Educational Center, the 2014-2015 and 2015-2016 fiscal years' financial activity *was under the tenure of the former Principal. A new Principal was assigned to this school on June 22, 2016.* Our review of a large school fundraiser during the 2014-2015 and 2015-2016 fiscal years, which consisted of the (almost) daily sale of bagels and cream cheese on campus disclosed significant monetary

shortfalls. We were unable to determine the exact amount of the shortfall, because key information related to sales price and quantities sold was not clearly delineated in the records. However, we substantiated overall mismanagement of the fundraiser which led to loss of revenue during both fiscal years and overspending. The Activities Director, who was the sponsor of this activity, resigned from the school system in October 2016. Our review of other activities sponsored by this former employee disclosed monetary discrepancies (although smaller) and incomplete/missing records. We extended our review of school fundraisers to the current school year up to the date of our visit, and it appears that the new Principal has instituted proper controls over fundraisers. A new Activities Director was hired in January 2017. Prior to our audit visit, the Office of the Inspector General (OIG) had investigated the bagel fundraiser. A report on the results of the OIG investigation is pending at this time (Pages 68-75).

## **PROPERTY**

The results of physical inventories of property items with an individual cost of \$1,000 or more are reported for all 39 schools/centers reported herein. We have also included the results of physical inventories of 83 schools/centers whose school audits could not be completed in time for this publication<sup>3</sup>.

At these 122 schools/centers, Property Audits staff inventoried approximately 34,900 equipment items with a total approximate cost of \$92 million. Of the 122 inventories, 118 proved satisfactory. Results for the remaining four disclosed that 28 equipment items with a total depreciated value of approximately \$3,600 and a total acquisition cost of approximately \$48,300 could not be located (refer to Property Schedule on Pages 32-38).

- At Miami Beach Senior High School (the school with the most significant property loss reported herein) our most recent property inventory, which we finalized in May 2017 disclosed that 24 equipment items with an acquisition cost of approximately \$42,200 and a depreciated value of approximately \$3,600 could not be accounted for and are reported as “unlocated”. These included laptops, computers and audio-visual equipment, a laptop cart, musical instruments and custodial-related equipment. We discussed this matter with the school administration for corrective action (refer to pages 36 and pages 54-56). The other three schools/centers reported minor losses (refer to pages 33, 34 and 37 of the Property Schedule).

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 37 items with a total depreciated value of approximately \$21,100 and a total acquisition cost of

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<sup>3</sup> These will be performed during the 2017-2018 fiscal year as two-year school audits.

approximately \$81,100 were reported missing at 17 of the 122 schools/centers. Items consisted of computer equipment and a golf cart. It also included musical, medical, physical education and custodial equipment, among others (Page 39).

## PAYROLL

We reviewed payroll records and procedures at the following three schools/centers. Two of these reviews were the result of audit follow-ups to payroll conditions cited in prior audits of the individual schools/centers. As explained below, the audit at Holmes Elementary was performed due to a concern raised by the school administration during the audit visit:

Work Location No.	Schools/Centers	Region
6051	Carol City Middle	North
2501	Holmes Elementary	Central
4691	Jane S. Roberts K-8 Center	South

At two of the three schools/centers, there was general compliance with the *Payroll Processing Procedures Manual*. At one school, the following conditions were noted:

- At Holmes Elementary, the Principal expressed concerns regarding the financial and payroll records handled by the former full-time Treasurer during the 2015-2016 fiscal year. According to the Principal, the former Treasurer had removed official documents without authorization, supposedly, to organize them; however, records later returned to the school were not organized. Because of the Principal's concerns, we reviewed payroll records corresponding to the 2015-2016 fiscal year and found that, overall, payroll records were disorganized, incomplete, and several were missing; therefore, the supporting documentation was not representative of the payroll reported. We extended our review to selected current payrolls processed by newly hired staff and observed payroll sign-in procedures of faculty/staff during our visit. Although our review of the current payroll records disclosed a significant improvement, we noted some discrepancies in the sign-in procedures of employees. These issues were discussed with the Principal for her information and corrective action (Pages 57-60).



## PURCHASING CREDIT CARD (P-CARD) PROGRAM

We reviewed the P-Card Program's procedures and records at the following four schools/centers. Most reviews were corollary to our review of Title I Program disbursements made with the P-Card at the individual schools/centers. At Carol City Middle, our review was a follow-up to conditions cited in the school's prior audit report:

Work Location No.	Schools/Centers	Region
6051	Carol City Middle	North
2501	Holmes Elementary	Central
1121	Coral Way K-8 Center	Central
6111	Cutler Bay Middle	South

Three of the four schools/centers reviewed were generally compliant with the P-Card Program documentation and procedures. The following was noted at one of the schools/centers:

- At Holmes Elementary, upon our initial audit visit, the school could not locate the records corresponding to the Purchasing Card or Title I Program expenditures for the 2015-2016 fiscal year. Some of these records were subsequently located in file cabinets while searching for related documents, while others (related to P-Card reconciliations) were located by the auditor in the District's accounting system. Overall, our review of the 2015-2016 fiscal year P-Card and Title I Program records disclosed that files were neither complete nor organized. We extended our review of these records to the current year 2016-2017 and found improvement. Minor discrepancies noted in the current P-Card records were discussed with the Principal for follow-up and corrective action (Pages 61-64).

## 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 six schools/centers. The following table summarizes the schools/centers reviewed:

Work Location No.	Schools/Centers	Region	Audit Period	Total Expenditures
2111	Hialeah Gardens Elementary	North	2015-2016	\$ 261,205
6231	Hialeah Middle	North	2015-2016	407,582
2501	Holmes Elementary	Central	2015-2016	609,919
1121	Coral Way K-8 Center	Central	2015-2016	309,742
7271	Miami Coral Park Senior High	Central	2015-2016	656,403
6111	Cutler Bay Middle	South	2015-2016	484,623
Total Title I Program Expenditures				\$ 2,729,474

At these six schools/centers, aggregate expenditures incurred under various Title I programs amounted to approximately \$2.7 million. Five of the six schools/centers reviewed were generally compliant with Title I Program documentation and procedures. Our review of the program records at Holmes Elementary disclosed some issues related to disbursement documentation for those purchases made with the school's P-Card that were charged to Title I program funds. Refer to P-Card section on page 7 of this report for a summary of details and to pages 61-64 for the actual details.

## FULL-TIME-EQUIVALENT (FTE) FUNDING

The following 14 schools/centers were selected for these audits:

Work Location No.	Schools/Centers	Region	Survey Period (SP)	FTE Funding
1921	Flamingo Elementary	North	2016-2017 SP 3	\$ 1,783,505
3901	North Hialeah Elementary	North	2016-2017 SP 3	1,509,494
3941	North Miami Elementary	North	2016-2017 SP 3	1,312,270
4061	Ojus Elementary	North	2016-2017 SP 3	2,944,782
4241	Palm Lakes Elementary	North	2016-2017 SP 3	2,081,180
6681	Palm Springs Middle	North	2016-2017 SP 3	2,825,208
3341	Miami Shores Elementary	Central	2016-2017 SP 2	1,926,669
3381	Miami Springs Elementary	Central	2016-2017 SP 2	1,119,864
5321	Southside Elementary	Central	2016-2017 SP 2	2,338,157
7301	Miami Edison Senior High	Central	2016-2017 SP 2	2,083,061
7721	South Miami Senior High	Central	2016-2017 SP 2	5,806,688
0161	Avocado Elementary	South	2016-2017 SP 3	1,416,466
4031	Gateway Environmental K-8 Center	South	2016-2017 SP 3	4,949,786
7731	Miami Southridge Senior High	South	2016-2017 SP 3	4,976,146
<b>Total FTE Funding:</b>				<b>\$ 37,073,276</b>

The total FTE funding amounted to approximately \$37 million for the 14 schools/centers combined. FTE records reviewed corresponded to the 2016-2017 Survey Period 2 (October 2016) or Survey Period 3 (February 2017), depending on the school audited, as noted in the table above. Our FTE reviews disclosed that 13 of the 14

schools/centers were generally compliant with District policy. At the following school/center we noted that:

- At Miami Southridge Senior, our review of a sample of FTE records corresponding to the 2016-2017 Survey Period 3 (February 2017) identified discrepancies in the area of On-the-Job (OJT) Training. These included instances where the student was not employed during the entire grading period or during FTE Survey week; as well as a few other instances where the hours reported during FTE Survey Week were less than the required minimum of 15 hours per week. In addition, some requisite program documentation was not evident during the audit visit (Pages 65-67).

## DATA SECURITY

We reviewed the report titled “*Authorized Applications for Employees by Locations Report*” at the following two schools/centers. At North Miami Middle, our review was the result of an audit follow-up to conditions cited in the prior audit of the individual school/center. At Robert Morgan Educational Center, our review was corollary to the audit conducted this year:

Work Location No.	Schools/Centers	Region
6631	North Miami Middle	North
7371	Robert Morgan Educational Center (Senior High School)	South

Our review disclosed that the school generally complied with the review of the report and with the requirements for granting staff’s access to system applications. At North Miami Middle, minor issues regarding staff members’ access to certain system applications were discussed with the school administration for his information and follow-up.

## 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 the 39 schools/centers included herein, depending on the year(s) audited for each individual school/center<sup>4</sup>. It also provides the audit opinion regarding the schools/centers' financial statements:

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<sup>4</sup> This report includes a total of 39 schools/centers, of which one underwent a two-year audit ended June 30, 2016, and 38 underwent a one-year audit ended June 30, 2016.

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

The Condensed Annual Financial Report and Total Cash and Investments as of June 30, 2015 for one (1) of the 39 schools/centers are as follows:

Work Loc. No.	School/Center	Beginning Balance	Total Receipts	Total Disbursements	End Balance	Checking	Investments		Total Cash and Investments
							Money Market Pool Fund	Other Investments	
South Region Office School/Center									
7371	Robert Morgan Educational Center (Senior High)	\$ 147,898.25	\$ 528,494.38	\$ (546,748.95)	\$ 129,643.68	\$ 6,459.24	\$ 123,184.44	\$ -	\$ 129,643.68
TOTALS		\$ 147,898.25	\$ 528,494.38	\$ (546,748.95)	\$ 129,643.68	\$ 6,459.24	\$ 123,184.44	\$ -	\$ 129,643.68

## 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 39 schools/centers reported herein are as follows:

Work Loc. No.	Schools/Centers	Annual Financial Report			Fund Balance						
		Beginning Balance	Total Receipts	Total Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
North Region Office Schools/Centers											
1481	John G. Dupuis Elementary	\$ 20,129.17	\$ 155,692.23	\$ (149,188.81)	\$ 26,632.59	\$ 17,132.97	\$ 9,499.62	\$ -	\$ -	\$ -	\$ 26,632.59
1921	Flamingo Elementary	20,040.77	43,376.41	(41,850.38)	21,566.80	7,760.80	13,806.00	-	-	-	21,566.80
2081	Fulford Elementary	16,684.53	30,528.27	(28,251.19)	18,961.61	12,243.45	6,718.16	-	-	-	18,961.61
2111	Hialeah Gardens Elementary	13,745.74	343,518.56	(341,211.30)	16,053.00	8,786.98	7,266.02	-	-	-	16,053.00
3901	North Hialeah Elementary	14,546.03	27,298.54	(28,318.23)	13,526.34	7,733.93	5,792.41	-	-	-	13,526.34
3941	North Miami Elementary	19,802.82	23,715.99	(23,983.29)	19,535.52	2,990.43	16,545.09	-	-	-	19,535.52
4001	Norwood Elementary	20,728.93	27,946.29	(28,149.05)	20,526.17	5,990.78	14,535.39	-	-	-	20,526.17
4061	Ojus Elementary	19,206.78	95,245.27	(93,895.62)	20,556.43	8,251.03	12,305.40	-	-	-	20,556.43
4241	Palm Lakes Elementary	11,431.51	50,083.15	(49,396.81)	12,117.85	6,787.41	5,330.44	-	-	-	12,117.85

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

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Total Receipts	Total Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
5021	Ben Sheppard Elementary	12,469.28	364,211.91	(360,305.13)	16,376.06	10,201.78	6,174.28	-	-	-	16,376.06
5601	Twin Lakes Elementary	25,989.80	34,448.52	(27,710.81)	32,727.51	9,394.09	23,333.42	-	-	-	32,727.51
5711	Mae M. Walters Elementary	15,990.64	30,252.70	(28,783.73)	17,459.61	5,860.41	11,599.20	-	-	-	17,459.61
5081	Dr. Frederica S. Wilson/Skyway Elementary	10,849.55	25,058.78	(23,164.88)	12,743.45	5,327.26	7,416.19	-	-	-	12,743.45
5971	Nathan B. Young Elementary	7,474.80	12,538.84	(13,877.49)	6,136.15	4,776.93	1,359.22	-	-	-	6,136.15
6051	Carol City Middle	20,263.45	43,616.48	(52,230.84)	11,649.09	484.74	11,164.35	-	-	-	11,649.09
6231	Hialeah Middle	37,587.26	62,252.88	(63,814.55)	36,025.59	18,727.59	17,298.00	-	-	-	36,025.59
6631	North Miami Middle	28,318.62	70,945.30	(82,967.88)	16,296.04	11,036.12	5,259.92	-	-	-	16,296.04
6681	Palm Springs Middle	36,884.66	67,179.53	(69,978.10)	34,086.09	10,011.48	24,074.61	-	-	-	34,086.09
7751	Barbara Goleman Senior	197,683.89	483,081.57	(480,241.19)	200,524.27	14,852.63	185,671.64	-	-	-	200,524.27
7291	Jose Marti MAST 6-12 Academy	47,927.86	168,205.92	(167,527.33)	48,606.45	25,857.41	22,749.04	-	-	-	48,606.45
7201	Miami Beach Senior High	193,822.19	477,475.28	(485,786.30)	185,511.17	20,713.08	164,798.09	-	-	-	185,511.17



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

Work Loc. No.	Schools/Centers	Annual Financial Report			Fund Balance						
		Beginning Balance	Total Receipts	Total Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
Central Region Office Schools/Centers											
0721	George Washington Carver Elementary	24,241.95	50,224.11	(52,661.62)	21,804.44	5,510.27	16,294.17	-	-	-	21,804.44
2501	Holmes Elementary	9,119.93	12,183.18	(13,422.02)	7,881.09	6,551.07	1,373.44	-	-	(43.42)	7,881.09
3341	Miami Shores Elementary	29,095.57	175,471.84	(168,888.67)	35,678.74	26,917.57	8,761.17	-	-	-	35,678.74
3381	Miami Springs Elementary	15,959.41	192,159.25	(194,526.87)	13,591.79	8,309.87	5,281.92	-	-	-	13,591.79
5321	Southside Elementary	44,222.16	492,790.36	(484,504.77)	52,507.75	39,501.92	13,005.83	-	-	-	52,507.75
1121	Coral Way K-8 Center	33,181.08	522,388.31	(518,967.76)	36,601.63	29,654.21	6,947.42	-	-	-	36,601.63
6741	Ponce de Leon Middle	46,691.54	160,355.75	(167,797.58)	39,249.71	8,998.50	30,251.21	-	-	-	39,249.71
7005	iTech @ Thomas A. Edison Educational Center	8,291.43	19,034.42	(18,148.40)	9,177.45	5,171.67	4,005.78	-	-	-	9,177.45
7271	Miami Coral Park Senior High	193,283.64	509,606.62	(501,519.16)	201,371.10	9,553.23	191,817.87	-	-	-	201,371.10
7301	Miami Edison Senior High	86,186.63	166,075.38	(169,008.08)	83,253.93	24,437.34	58,816.59	-	-	-	83,253.93
7511	Miami Springs Senior High	84,991.92	359,781.55	(367,218.83)	77,554.64	17,511.96	59,994.68	-	48.00	-	77,554.64
7721	South Miami Senior High	180,432.64	519,860.88	(506,744.27)	193,549.25	16,257.70	177,291.55	-	-	-	193,549.25

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

Work Loc. No.	Schools/Centers	Annual Financial Report			Fund Balance						
		Beginning Balance	Total Receipts	Total Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
South Region Office Schools/Centers											
0161	Avocado Elementary	14,089.38	62,402.16	(62,098.82)	14,392.72	6,015.73	8,376.99	-	-	-	14,392.72
4031	Gateway Environmental K-8 Center	18,349.51	226,408.11	(222,749.83)	22,007.79	11,755.62	10,252.17	-	-	-	22,007.79
4691	Jane S. Roberts K-8 Center	26,091.42	341,492.00	(334,827.58)	32,755.84	17,551.02	15,204.82	-	-	-	32,755.84
6111	Cutler Bay Middle	23,031.38	86,077.58	(79,212.91)	29,896.05	4,387.14	25,508.91	-	-	-	29,896.05
7731	Miami Southridge Senior High	84,169.95	382,858.33	(358,211.94)	108,816.34	33,836.31	74,980.03	-	-	-	108,816.34
7371	Robert Morgan Educational Center (Senior High)	129,643.68	461,652.81	(460,630.00)	130,666.49	26,677.54	103,988.95	-	-	-	130,666.49
TOTALS		\$1,842,651.50	\$ 7,377,495.06	\$ (7,321,772.02)	\$1,898,374.54	\$513,519.97	\$1,384,849.99	\$ -	\$ 48.00	\$ (43.42)	\$1,898,374.54

## AUDIT OPINION

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

Notwithstanding the conditions and findings reported herein, at all 39 schools/centers included in this report, 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 30-31), 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 30-31) up to June 30, 2016, on the full accrual basis of accounting.

As of June 30, 2015, for one<sup>5</sup> school/center reported herein, total receipts and disbursements amounted to \$528,494.38 and \$(546,748.95), respectively; while total cash and investments amounted to \$129,643.68 (Page 12).

As of June 30, 2016, for all 39 schools/centers reported herein, total combined receipts and disbursements amounted to \$7,377,495.06 and \$(7,321,772.02), respectively; while total combined Fund Balance amounted to \$1,898,374.54 (Pages 13-16).

Notwithstanding the conditions and findings reported herein, as of June 30, 2016, the internal control structure at all 39 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. With respect to the items tested, the schools/centers were in general compliance with the policies and procedures in the Manual of Internal Fund Accounting, except for those instances of non-compliance identified and reported at the individual schools/centers.

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>5</sup> This report includes one school/center with a two-year audit (2014-2015 and 2015-2016) and 38 schools/centers with a one-year audit (2015-2016).

## INTERNAL CONTROLS RATING

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

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<u>North Region Office Schools/Centers</u>							
Carol City Middle		✓			✓		Likely to impact.
North Miami Middle		✓			✓		Likely to impact.
Miami Beach Senior High		✓			✓		Likely to impact.
<u>Central Region Office School/Center</u>							
Holmes Elementary		✓			✓		Likely to impact.
<u>South Region Office Schools/Centers</u>							
Miami Southridge Senior High		✓			✓		Likely to impact.
Robert Morgan Educational Center (Senior High)		✓			✓		Likely to impact.

## INTERNAL CONTROLS RATING

The internal control ratings for the 33 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>							
John G. Dupuis Elementary	✓			✓			Not Likely to impact.
Flamingo Elementary	✓			✓			Not Likely to impact.
Fulford Elementary	✓			✓			Not Likely to impact.
Hialeah Gardens Elementary	✓			✓			Not Likely to impact.
North Hialeah Elementary	✓			✓			Not Likely to impact.
North Miami Elementary	✓			✓			Not Likely to impact.
Norwood Elementary	✓			✓			Not Likely to impact.
Ojus Elementary	✓			✓			Not Likely to impact.
Palm Lakes Elementary	✓			✓			Not Likely to impact.
Ben Sheppard Elementary	✓			✓			Not Likely to impact.
Twin Lakes Elementary	✓			✓			Not Likely to impact.
Mae M. Walters 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	
Dr. Frederica S. Wilson/Skyway Elementary	✓			✓			Not Likely to impact.
Nathan B. Young Elementary	✓			✓			Not Likely to impact.
Hialeah Middle	✓			✓			Not Likely to impact.
Palm Springs Middle	✓			✓			Not Likely to impact.
Barbara Goleman Senior	✓			✓			Not Likely to impact.
Jose Marti MAST 6-12 Academy	✓			✓			Not Likely to impact.
<u>Central Region Office Schools/Centers</u>							
George Washington Carver Elementary	✓			✓			Not Likely to impact.
Miami Shores Elementary	✓			✓			Not Likely to impact.
Miami Springs Elementary	✓			✓			Not Likely to impact.
Southside Elementary	✓			✓			Not Likely to impact.
Coral Way K-8 Center	✓			✓			Not Likely to impact.
Ponce de Leon Middle	✓			✓			Not Likely to impact.
iTech @ Thomas A. Edison Educational Center	✓			✓			Not Likely to impact.
Miami Coral Park Senior High	✓			✓			Not Likely to impact.
Miami Edison Senior High	✓			✓			Not Likely to impact.

## INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Miami Springs Senior High	✓			✓			Not Likely to impact.
South Miami Senior High	✓			✓			Not Likely to impact.
<u>South Region Office Schools/Centers</u>							
Avocado Elementary	✓			✓			Not Likely to impact.
Gateway Environmental K-8 Center	✓			✓			Not Likely to impact.
Jane Roberts K-8 Center	✓			✓			Not Likely to impact.
Cutler Bay Middle	✓			✓			Not Likely to impact.

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

Summary of findings of the six 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)/ <i>FTE Survey</i>	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
<u>North Region Office Schools/Centers</u>						
6051	Carol City Middle <sup>(a)</sup>	2015-2016	1	<ul style="list-style-type: none"><li>Disbursements</li></ul>	3	<ul style="list-style-type: none"><li>Disbursements (Int. Funds &amp; P-Card)</li><li>CIS &amp; Hourly Funded With Title I Funds</li><li>Payroll</li></ul>
6631	North Miami Middle <sup>(b)</sup>	2015-2016	2	<ul style="list-style-type: none"><li>Bookkeeping/Fin. Mgt.</li><li>Disbursements</li></ul>	1	<ul style="list-style-type: none"><li>Data Security</li></ul>
7201	Miami Beach Senior High <sup>(b)</sup>	2015-2016	1	<ul style="list-style-type: none"><li>Property Management</li></ul>	1	<ul style="list-style-type: none"><li>FTE-ELL &amp; OJT</li></ul>
<u>Central Region Office School/Center</u>						
2501	Holmes Elementary <sup>(c)</sup>	Int. Funds: 2015-2016 Payroll/P-Card: 2015-2016 & 2016-2017	2	<ul style="list-style-type: none"><li>Payroll/Sign-in Procedures</li><li>P-Card/Title I Program Records</li></ul>	None	
<u>South Region Office Schools/Centers</u>						
7731	Miami Southridge Senior High <sup>(c)</sup>	2015-2016 <i>2016-17 SP3</i>	1	<ul style="list-style-type: none"><li>FTE-OJT</li></ul>	None	
7371	Robert Morgan Ed. Center (Senior High) <sup>(d)</sup>	2014-2015 2015-2016	1	<ul style="list-style-type: none"><li>Fundraisers</li></ul>	None	
TOTAL			8		5	

Notes:

(a) Change of Principal since prior audit (in June 2016). Prior and current audit findings happened under the tenure of the former school administration. Current finding is in similar area (Internal Fund-Disbursements) when compared to prior audit.

(b) No change in school administration since prior audit. Prior and current audit findings happened under the tenure of the current school administration. Current finding is in different area when compared to prior audit finding.

(c) No change in school administration since prior audit.

(d) Change of Principal since prior audit (in June 2016). Finding happened under the tenure of the former school administration.



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

Summary of findings of the 33 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)/ <i>FTE Survey</i>	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
<u>North Region Office Schools/Centers</u>						
1481	John G. Dupuis Elementary	2015-2016	None		None	
1921	Flamingo Elementary	2015-2016 <i>2016-17 SP3</i>	None		None	
2081	Fulford Elementary	2015-2016	None		None	
2111	Hialeah Gardens Elementary	2015-2016	None		None	
3901	North Hialeah Elementary	2015-2016 <i>2016-17 SP3</i>	None		None	
3941	North Miami Elementary	2015-2016 <i>2016-17 SP3</i>	None		None	
4001	Norwood Elementary	2015-2016	None		None	
4061	Ojus Elementary	2015-2016 <i>2016-17 SP3</i>	None		None	
4241	Palm Lakes Elementary	2015-2016 <i>2016-17 SP3</i>	None		None	
5021	Ben Sheppard Elementary	2015-2016	None		None	
5601	Twin Lakes Elementary	2015-2016	None		None	
5711	Mae M. Walters Elementary	2015-2016	None		None	
5081	Dr. Frederica S. Wilson/Skyway 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)/ FTE Survey	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
5971	Nathan B. Young Elementary	2015-2016	None		None	
6231	Hialeah Middle	2015-2016	None		1	• FTE-ELL
6681	Palm Springs Middle	2015-2016 2016-17 SP3	None		None	
7751	Barbara Goleman Senior	2015-2016	None		None	
7291	Jose Marti MAST 6-12 Academy	2015-2016	None		None	
<u>Central Region Office Schools/Centers</u>						
0721	George Washington Carver Elementary	2015-2016	None		None	
3341	Miami Shores Elementary	2015-2016 2016-17 SP2	None		2	• ASC Program • Pre-K Program
3381	Miami Springs Elementary	2015-2016 2016-17 SP2	None		None	
5321	Southside Elementary	2015-2016 2016-17 SP2	None		None	
1121	Coral Way K-8 Center	2015-2016	None		None	
6741	Ponce de Leon Middle	2015-2016	None		None	
7005	iTech @ Thomas A. Edison Educational Center	2015-2016	None		None	
7271	Miami Coral Park Senior High	2015-2016	None		None	
7301	Miami Edison Senior High	2015-2016 2016-17 SP2	None		None	
7511	Miami Springs Senior High	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)/ <i>FTE Survey</i>	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
7721	South Miami Senior High	2015-2016 2016-17 SP2	None		None	
<u>South Region Office Schools/Centers</u>						
0161	Avocado Elementary	2015-2016 2016-17 SP3	None		None	
4031	Gateway Environmental K-8 Center	2015-2016 2016-17 SP3	None		None	
4691	Jane Roberts K-8 Center	2015-2016	None		1	• Payroll
6111	Cutler Bay Middle	2015-2016	None		1	• FTE-ELL, ESE & Teacher Certification
TOTAL			None		5	

## LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Listed below are the names of the former and current principals/administrators, as applicable for the six 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 and/or responsible for the audit exception(s)**:

Work Loc. No.	Schools/Centers	Current Principal(s)/Administrator(s)	Former Principal(s)/Administrator(s)
<u>North Region Office Schools/Centers</u>			
6051	Carol City Middle <sup>(a)</sup>	Ms. Maria Medina	Ms. Sonia J. Romero (Through June 2016; resigned).
6631	North Miami Middle	Mr. Patrick Lacouty	N/A = No Change of Principal Since Prior Audit.
7201	Miami Beach Senior High	Mr. John J. Donohue	N/A = No Change of Principal Since Prior Audit.
<u>Central Region Office School/Center</u>			
2501	Holmes Elementary	Dr. Yvonne D. Perry	N/A = No Change of Principal Since Prior Audit.
<u>South Region Office Schools/Centers</u>			
7731	Miami Southridge Senior High	Mr. Humberto J. Miret	N/A = No Change of Principal Since Prior Audit.
7371	Robert Morgan Educational Center (Senior High) <sup>(a)</sup>	Mr. Reginald J. Fox	Ms. Kimberly Y. Davis (Through June 2016; presently Administrative Director, Professional Development, Office of Professional Development and Evaluation).

Note:

(a) Change of Principal at this school since prior audit (3 schools/centers).

## LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Listed below are the names of the former and current principals/administrators, as applicable for the 33 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>			
1481	John G. Dupuis Elementary	Ms. Lourdes M. Nuñez	N/A = No Change of Principal Since Prior Audit.
1921	Flamingo Elementary	Ms. Ileana R. Sotolongo	N/A = No Change of Principal Since Prior Audit.
2081	Fulford Elementary	Dr. Jean E. Gordon	N/A = No Change of Principal Since Prior Audit.
2111	Hialeah Gardens Elementary	Ms. Rachel B. Autler	N/A = No Change of Principal Since Prior Audit.
3901	North Hialeah Elementary	Ms. Yanelys S. Canales	N/A = No Change of Principal Since Prior Audit.
3941	North Miami Elementary	Ms. Debra L. Dubin	N/A = No Change of Principal Since Prior Audit.
4001	Norwood Elementary	Dr. Kevin N. Williams	N/A = No Change of Principal Since Prior Audit.
4061	Ojus Elementary	Dr. Marta M. Mejia	N/A = No Change of Principal Since Prior Audit.
4241	Palm Lakes Elementary	Ms. Alina Q. Iglesias	N/A = No Change of Principal Since Prior Audit.
5021	Ben Sheppard Elementary	Dr. Eduardo J. Tagle	N/A = No Change of Principal Since Prior Audit.
5601	Twin Lakes Elementary	Ms. Ivette Bernal-Pino	Ms. Gloria I. Garcia (Through February 2017; retired).
5711	Mae M. Walters Elementary	Mr. Milko O. Brito	N/A = No Change of Principal Since Prior Audit.

Note:

(a) Change of Principal at this school/center since prior audit (3 schools/centers).

## LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal(s)/Administrator(s)	Former Principal(s)/Administrator(s)
5081	Dr. Frederica S. Wilson/Skyway Elementary	Dr. Linda C. Whye	N/A = No Change of Principal Since Prior Audit.
5971	Nathan B. Young Elementary	Dr. Tonya S. Dillard	N/A = No Change of Principal Since Prior Audit.
6231	Hialeah Middle	Mr. Nelson L. Gonzalez	Ms. Lourdes Diaz (Through October 2015; presently Principal at Miami Lakes Educational Center and Technical College). Mr. Nelson L. Gonzalez
6681	Palm Springs Middle	Mr. Leonard T. Torres	N/A = No Change of Principal Since Prior Audit.
7751	Barbara Goleman Senior High	Mr. Joaquin P. Hernandez	N/A = No Change of Principal Since Prior Audit.
7291	Jose Marti MAST 6-12 Academy	Mr. Jose Enriquez, Jr.	N/A = No Change of Principal Since Prior Audit.
<u>Central Region Office Schools/Centers</u>			
0721	George Washington Carver Elementary	Dr. Cheryl E. Johnson	N/A = No Change of Principal Since Prior Audit.
3341	Miami Shores Elementary	Ms. Brenda L. Swain	N/A = No Change of Principal Since Prior Audit.
3381	Miami Springs Elementary	Ms. Sally M. Hutchings	N/A = No Change of Principal Since Prior Audit.
5321	Southside Elementary	Mr. Salvatore Schiavone	N/A = No Change of Principal Since Prior Audit.
1121	Coral Way K-8 Center <sup>(a)</sup>	Ms. Barbara M. Martin	Ms. Mayte M. Dovale (Through June 2016; presently Principal at Gloria Floyd Elementary School).
6741	Ponce de Leon Middle	Ms. Martha C. Chang	N/A = No Change of Principal Since Prior Audit.
7005	iTech @ Thomas A. Edison Educational Center	Ms. Layda M. Nasr	N/A = No Change of Principal Since Prior Audit.
7271	Miami Coral Park Senior High	Ms. Alicia Hidalgo	N/A = No Change of Principal Since Prior Audit.

Note:

(a) Change of Principal at this school/center since prior audit (3 schools/centers).

## LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal(s)/Administrator(s)	Former Principal(s)/Administrator(s)
7301	Miami Edison Senior High	Ms. Trynegwa K. Diggs	N/A = No Change of Principal Since Prior Audit.
7511	Miami Springs Senior High	Mr. Edward R. Smith	N/A = No Change of Principal Since Prior Audit.
7721	South Miami Senior High	Mr. Gilberto D. Bonce	N/A = No Change of Principal Since Prior Audit.
<u>South Region Office Schools/Centers</u>			
0161	Avocado Elementary	Ms. Jacqua J. Little	N/A = No Change of Principal Since Prior Audit.
4031	Gateway Environmental K-8 Center	Ms. Tiffany D. Anderson	N/A = No Change of Principal Since Prior Audit.
4691	Jane Roberts K-8 Center	Ms. Milagro Arango	N/A = No Change of Principal Since Prior Audit.
6111	Cutler Bay Middle	Mr. Paul A. Pfeiffer	N/A = No Change of Principal Since Prior Audit.

Note:

(a) Change of Principal at this school/center since prior audit (3 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 39 schools/centers reported herein:

Work Loc. No.	Schools/Centers	Group Designation	MSAF End Date	eSAS Available Conversion Date	“Go Live” Session Scheduled Date
<u>North Region Office Schools/Centers</u>					
1481	John G. Dupuis Elementary	Cohort 2	1/27/2016	2/1/2016	2/3/2016
1921	Flamingo Elementary	Cohort 2	1/27/2016	2/1/2016	2/4/2016
2081	Fulford Elementary	Cohort 2	1/27/2016	2/1/2016	2/4/2016
2111	Hialeah Gardens Elementary	Cohort 2	1/27/2016	2/1/2016	2/4/2016
3901	North Hialeah Elementary	Cohort 3	2/24/2016	3/1/2016	3/2/2016
3941	North Miami Elementary	Cohort 3	2/24/2016	3/1/2016	3/2/2016
4001	Norwood Elementary	Cohort 3	2/24/2016	3/1/2016	3/2/2016
4061	Ojus Elementary	Cohort 3	2/24/2016	3/1/2016	3/2/2016
4241	Palm Lakes Elementary	Cohort 3	2/24/2016	3/1/2016	3/2/2016
5021	Ben Sheppard Elementary	Cohort 3	2/24/2016	3/1/2016	3/3/2016
5601	Twin Lakes Elementary	Cohort 3	2/24/2016	3/1/2016	3/3/2016
5711	Mae M. Walters Elementary	Cohort 3	2/24/2016	3/1/2016	3/3/2016
5081	Dr. Frederica S. Wilson/Skyway Elementary	Cohort 3	2/24/2016	3/1/2016	3/3/2016
5971	Nathan B. Young Elementary	Cohort 3	2/24/2016	3/1/2016	3/3/2016
6051	Carol City Middle	Cohort 1	11/24/2015	12/1/2015	12/3/15
6231	Hialeah Middle	Cohort 2	1/27/2016	2/1/2016	2/5/2016
6631	North Miami Middle	Cohort 2	1/27/2016	2/1/2016	2/5/2016
6681	Palm Springs Middle	Cohort 2	1/27/2016	2/1/2016	2/5/2016
7751	Barbara Goleman Senior High	Cohort 1	11/24/2015	12/1/2015	12/2/2015



## ACCOUNTING SYSTEM CONVERSION SCHEDULE

Work Loc. No.	Schools/Centers	Group Designation	MSAF End Date	eSAS Available Conversion Date	"Go Live" Session Scheduled Date
7291	Jose Marti MAST 6-12 Academy	Cohort 1	11/24/2015	12/1/2015	12/3/2015
7201	Miami Beach Senior High	Cohort 1	11/24/2015	12/1/2015	12/3/2015
<u>Central Region Office Schools/Centers</u>					
0721	George Washington Carver Elementary	Cohort 2	1/27/2016	2/1/2016	2/3/2016
2501	Holmes Elementary	Cohort 2	1/27/2016	2/1/2016	2/4/2016
3341	Miami Shores Elementary	Cohort 3	2/24/2016	3/1/2016	3/2/2016
3381	Miami Springs Elementary	Cohort 3	2/24/2016	3/1/2016	3/2/2016
5321	Southside Elementary	Cohort 3	2/24/2016	3/1/2016	3/3/2016
1121	Coral Way K-8 Center	Cohort 2	1/27/2016	2/1/2016	2/3/2016
6741	Ponce de Leon Middle	Cohort 1	11/24/2015	12/1/2015	12/2/2015
7005	iTech @ Thomas A. Edison Educational Center	Cohort 3	2/24/2016	3/1/2016	3/3/2016
7271	Miami Coral Park Senior High	Cohort 1	11/24/2015	12/1/2015	12/2/2015
7301	Miami Edison Senior High	Cohort 1	11/24/2015	12/1/2015	12/3/2015
7511	Miami Springs Senior High	Cohort 1	11/24/2015	12/1/2015	12/3/2015
7721	South Miami Senior High	Cohort 1	11/24/2015	12/1/2015	12/3/2015
<u>South Region Office Schools/Centers</u>					
0161	Avocado Elementary	Cohort 2	1/27/2016	2/1/2016	2/3/2016
4031	Gateway Environmental K-8 Center	Cohort 2	1/27/2016	2/1/2016	2/4/2016
4691	Jane Roberts K-8 Center	Cohort 2	1/27/2016	2/1/2016	2/4/2016
6111	Cutler Bay Middle	Cohort 2	1/27/2016	2/1/2016	2/5/2016
7731	Miami Southridge Senior High	Cohort 2	1/27/2016	2/1/2016	2/5/2016
7371	Robert Morgan Educational Center (Senior High)	Cohort 3	2/24/2016	3/1/2016	3/3/2016
<b>TOTAL</b>		<b>39 schools/centers</b>			

## PROPERTY SCHEDULE

The results of the property inventories of the 122 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								
0341	Arch Creek Elementary <sup>(a)</sup>	78	\$ 246,818	-	\$ -	\$ -	1	\$ 1,372
0321	Biscayne Elementary <sup>(a)</sup>	123	278,800	-	-	-	-	-
0361	Biscayne Gardens Elementary <sup>(a)</sup>	174	441,264	-	-	-	-	-
2441	Virginia A. Boone/Highland Oaks Elementary <sup>(a)</sup>	99	198,499	-	-	-	-	-
0461	Brentwood Elementary <sup>(a)</sup>	219	459,874	-	-	-	-	-
0481	James H. Bright/J. W. Johnson Elementary <sup>(a)</sup>	170	376,371	-	-	-	-	-
0561	W. J. Bryan Elementary <sup>(a)</sup>	108	240,082	-	-	-	-	-
0641	Bunche Park Elementary <sup>(a)</sup>	80	277,914	-	-	-	-	-
1161	Crestview Elementary <sup>(a)</sup>	140	287,042	-	-	-	-	-
1481	John G. Dupuis Elementary <sup>(b)</sup>	144	407,633	-	-	-	-	-
1521	Amelia Earhart Elementary <sup>(a)</sup>	172	363,944	-	-	-	1	3,450
4801	Gertrude K. Edelman/Sabal Palm Elementary <sup>(a)</sup>	132	300,800	-	-	-	-	-
1921	Flamingo Elementary <sup>(b)</sup>	203	420,514	-	-	-	-	-
2081	Fulford Elementary <sup>(b)</sup>	104	270,296	-	-	-	-	-
2181	Joella C. Good Elementary <sup>(a)</sup>	166	376,412	-	-	-	-	-

Notes:

- (a) Property audit completed by year-end. School audit to be performed in 2017-2018 (83 schools/centers).
- (b) School and property audit results included in this report (39 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		
2281	Greynolds Park Elementary <sup>(a)</sup>	208	478,729	-	-	-	-	-
2111	Hialeah Gardens Elementary <sup>(b)</sup>	147	350,575	-	-	-	-	-
2401	Hibiscus Elementary <sup>(a)</sup>	142	297,583	-	-	-	-	-
4121	Dr. Robert B. Ingram Elementary <sup>(a)</sup>	185	514,043	-	-	-	-	-
2581	Madie Ives Elementary <sup>(a)</sup>	175	354,481	-	-	-	-	-
2801	Lake Stevens Elementary <sup>(a)</sup>	68	208,974	-	-	-	-	-
3661	Natural Bridge Elementary <sup>(a)</sup>	187	388,939	-	-	-	-	-
3741	North Beach Elementary <sup>(a)</sup>	105	262,636	-	-	-	-	-
5131	No. Dade Ctr. For Modern Lang. Elementary <sup>(a)</sup>	54	115,292	-	-	-	-	-
3861	North Glade Elementary <sup>(a)</sup>	108	246,569	-	-	-	-	-
3901	North Hialeah Elementary <sup>(b)</sup>	148	385,058	-	-	-	-	-
3941	North Miami Elementary <sup>(b)</sup>	178	380,259	-	-	-	-	-
4001	Norwood Elementary <sup>(b)</sup>	153	292,973	-	-	-	-	-
4021	Oak Grove Elementary <sup>(a)</sup>	103	240,367	-	-	-	-	-
4061	Ojus Elementary <sup>(b)</sup>	163	309,889	1	1,024	-	-	-
4241	Palm Lakes Elementary <sup>(b)</sup>	195	381,542	-	-	-	-	-
4261	Palm Springs Elementary <sup>(a)</sup>	218	531,900	-	-	-	-	-
4281	Palm Springs North Elementary <sup>(a)</sup>	157	497,811	-	-	-	-	-
4341	Parkway Elementary <sup>(a)</sup>	106	234,687	-	-	-	-	-

**Notes:**

- (a) Property audit completed by year-end. School audit to be performed in 2017-2018 (83 schools/centers).
- (b) School and property audit results included in this report (39 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		
4541	Rainbow Park Elementary <sup>(a)</sup>	116	261,353	-	-	-	-	-
5021	Ben Sheppard Elementary <sup>(b)</sup>	208	473,828	-	-	-	-	-
5091	South Pointe Elementary <sup>(a)</sup>	37	107,751	-	-	-	-	-
2191	Spanish Lake Elementary <sup>(a)</sup>	96	401,068	-	-	-	-	-
5601	Twin Lakes Elementary <sup>(b)</sup>	119	274,278	-	-	-	-	-
5711	Mae M. Walters Elementary <sup>(b)</sup>	156	292,554	-	-	-	2	2,716
2371	West Hialeah Gardens Elementary <sup>(a)</sup>	83	338,366	-	-	-	-	-
5081	Dr. Frederica S. Wilson/Skyway El. <sup>(b)</sup>	88	243,582	-	-	-	-	-
5971	Nathan B. Young Elementary <sup>(b)</sup>	184	339,090	-	-	-	-	-
0231	Aventura Waterways K-8 Center <sup>(a)</sup>	531	1,066,327	-	-	-	-	-
0241	Ruth K. Broad/Bay Harbor K-8 Center <sup>(a)</sup>	164	482,404	-	-	-	-	-
0761	Fienberg/Fisher K-8 Center <sup>(a)</sup>	212	360,974	-	-	-	-	-
0091	Bob Graham Education Center <sup>(a)</sup>	329	717,421	-	-	-	-	-
5051	Ernest R Graham K-8 Academy <sup>(a)</sup>	297	637,150	-	-	-	-	-
5005	David Lawrence, Jr. K-8 Center <sup>(a)</sup>	632	1,120,247	-	-	-	-	-
2911	Linda Lentin K-8 Center <sup>(a)</sup>	279	620,315	2	3,934	-	1	2,645
3281	Miami Lakes K - 8 Center <sup>(a)</sup>	230	652,788	-	-	-	-	-
3821	North County K-8 Center <sup>(a)</sup>	71	157,826	-	-	-	-	-
5141	Hubert O. Sibley K-8 Academy <sup>(a)</sup>	154	350,629	-	-	-	-	-

Notes:

- (a) Property audit completed by year-end. School audit to be performed in 2017-2018 (83 schools/centers).
- (b) School and property audit results included in this report (39 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		
6023	Andover Middle <sup>(a)</sup>	443	1,113,691	-	-	-	-	-
6051	Carol City Middle <sup>(b)</sup>	216	512,517	-	-	-	-	-
6161	Lawton Chiles Middle <sup>(a)</sup>	486	1,147,581	-	-	-	-	-
6171	Henry H. Filer Middle <sup>(a)</sup>	235	583,616	-	-	-	-	-
6231	Hialeah Middle <sup>(b)</sup>	316	735,549	-	-	-	-	-
6751	Hialeah Gardens Middle <sup>(a)</sup>	202	718,962	-	-	-	-	-
6281	Thomas Jefferson Middle <sup>(a)</sup>	173	419,653	-	-	-	-	-
6301	John F. Kennedy Middle <sup>(a)</sup>	628	1,058,171	-	-	-	-	-
6351	Lake Stevens Middle <sup>(a)</sup>	316	651,862	-	-	-	-	-
6501	Miami Lakes Middle <sup>(a)</sup>	358	724,677	-	-	-	-	-
6541	Nautilus Middle <sup>(a)</sup>	299	852,687	-	-	-	-	-
6571	Norland Middle <sup>(a)</sup>	348	814,766	-	-	-	-	-
6631	North Miami Middle <sup>(b)</sup>	250	623,953	-	-	-	-	-
6681	Palm Springs Middle <sup>(b)</sup>	385	829,843	-	-	-	-	-
7751	Barbara Goleman Senior <sup>(b)</sup>	792	2,067,712	-	-	-	-	-
7191	Hialeah Gardens Senior High <sup>(a)</sup>	706	2,397,071	-	-	-	-	-
7141	Dr. Michael M. Krop Senior High <sup>(a)</sup>	732	1,917,378	-	-	-	-	-
7291	Jose Marti MAST 6-12 Academy <sup>(b)</sup>	414	1,055,458	-	-	-	-	-
7031	MAST @ FIU Biscayne Bay Campus <sup>(a)</sup>	5	13,798	-	-	-	-	-

**Notes:**

- (a) Property audit completed by year-end. School audit to be performed in 2017-2018 (83 schools/centers).
- (b) School and property audit results included in this report (39 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		
7201	Miami Beach Senior High <sup>(b)</sup>	599	1,845,784	24	42,247	3,562	-	-
7231	Miami Carol City Senior High <sup>(a)</sup>	741	2,668,906	-	-	-	-	-
7381	Miami Norland Senior High <sup>(a)</sup>	364	1,206,787	-	-	-	-	-
7591	North Miami Senior <sup>(a)</sup>	663	2,326,843	-	-	-	-	-
<b>Central Region Office Schools/Centers</b>								
0101	Arcola Lake Elementary <sup>(a)</sup>	95	196,900	-	-	-	-	-
0721	George Washington Carver Elementary <sup>(b)</sup>	119	223,839	-	-	-	-	-
2501	Holmes Elementary <sup>(b)</sup>	114	355,165	-	-	-	-	-
3341	Miami Shores Elementary <sup>(b)</sup>	174	376,183	-	-	-	-	-
3381	Miami Springs Elementary <sup>(b)</sup>	116	232,211	-	-	-	-	-
5321	Southside Elementary <sup>(b)</sup>	95	320,949	-	-	-	-	-
1121	Coral Way K - 8 Center <sup>(b)</sup>	315	874,069	-	-	-	-	-
0122	Dr. Rolando Espinosa K-8 Center <sup>(a)</sup>	195	662,510	-	-	-	-	-
3191	Ada Merritt K-8 Center <sup>(a)</sup>	102	267,068	-	-	-	-	-
6741	Ponce de Leon Middle <sup>(b)</sup>	210	706,549	-	-	-	-	-
7071	Coral Gables Senior <sup>(a)</sup>	547	1,573,209	-	-	-	-	-
7005	iTech @ Thomas A. Edison Educational Center <sup>(b)</sup>	166	375,752	-	-	-	-	-
7251	Miami Central Senior High <sup>(a)</sup>	697	2,872,418	-	-	-	-	-
7271	Miami Coral Park Senior High <sup>(b)</sup>	897	2,999,163	-	-	-	-	-

**Notes:**

- (a) Property audit completed by year-end. School audit to be performed in 2017-2018 (83 schools/centers).
- (b) School and property audit results included in this report (39 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		
7301	Miami Edison Senior High <sup>(b)</sup>	721	1,643,410	-	-	-	-	-
7341	Miami Jackson Senior High <sup>(a)</sup>	429	1,714,257	-	-	-	-	-
7461	Miami Senior High <sup>(a)</sup>	698	2,491,643	-	-	-	-	-
7511	Miami Springs Senior High <sup>(b)</sup>	378	987,418	-	-	-	1	1,180
7721	South Miami Senior High <sup>(b)</sup>	546	1,375,896	-	-	-	-	-
7601	William H. Turner Tech. Arts Senior High <sup>(a)</sup>	820	2,670,515	-	-	-	-	-
7791	Booker T. Washington Senior High <sup>(a)</sup>	682	2,217,972	-	-	-	5	10,254
<u>South Region Office Schools/Centers</u>								
0161	Avocado Elementary <sup>(b)</sup>	216	462,076	-	-	-	-	-
0211	Dr. Manuel C. Barreiro Elementary <sup>(a)</sup>	109	472,071	-	-	-	-	-
0125	Norma Butler Bossard Elementary <sup>(a)</sup>	565	798,653	-	-	-	-	-
2151	Jack D. Gordon Elementary <sup>(a)</sup>	162	398,819	-	-	-	-	-
3541	Robert Russa Moton Elementary <sup>(a)</sup>	186	410,818	-	-	-	2	5,164
4091	Olympia Heights Elementary <sup>(a)</sup>	143	301,672	1	1,070	-	-	-
4381	Dr. Henry E. Perrine Academy Of The Arts <sup>(a)</sup>	180	371,782	-	-	-	-	-
4511	Gilbert L. Porter Elementary <sup>(a)</sup>	125	321,681	-	-	-	-	-
5281	South Miami Heights Elementary <sup>(a)</sup>	146	304,305	-	-	-	-	-
0661	Caribbean K-8 Center <sup>(a)</sup>	205	465,650	-	-	-	-	-
4031	Gateway Environmental K-8 Learning Center <sup>(b)</sup>	216	646,328	-	-	-	-	-

Notes:

- (a) Property audit completed by year-end. School audit to be performed in 2017-2018 (83 schools/centers).
- (b) School and property audit results included in this report (39 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		
2901	Leisure City K-8 Center <sup>(a)</sup>	251	500,226	-	-	-	-	-
4391	Irving & Beatrice Peskoe K-8 Center <sup>(a)</sup>	136	282,431	-	-	-	-	-
4691	Jane S. Roberts K-8 Center <sup>(b)</sup>	191	418,831	-	-	-	-	-
6111	Cutler Bay Middle <sup>(b)</sup>	245	735,892	-	-	-	-	-
6771	Jorge Mas Canosa Middle <sup>(a)</sup>	332	756,321	-	-	-	-	-
6861	Southwood Middle <sup>(a)</sup>	343	792,790	-	-	-	-	-
7101	Coral Reef Senior High <sup>(a)</sup>	840	2,245,240	-	-	-	-	-
7121	John A. Ferguson Senior High <sup>(a)</sup>	888	2,298,624	-	-	-	-	-
7151	Homestead Senior High <sup>(a)</sup>	640	1,667,231	-	-	-	-	-
7431	Miami Palmetto Senior High <sup>(a)</sup>	503	1,249,294	-	-	-	-	-
7731	Miami Southridge Senior High <sup>(b)</sup>	517	1,352,771	-	-	-	-	-
7531	Miami Sunset Senior High <sup>(a)</sup>	478	1,293,206	-	-	-	-	-
7371	Robert Morgan Educational Center (Sr. High) <sup>(b)</sup>	548	1,552,716	-	-	-	-	-
<u>Alternative Education Center</u>								
8101	Jan Mann Opportunity School <sup>(a)</sup>	84	198,521	-	-	-	-	-
<b>TOTALS</b>		<b>34,934</b>	<b>\$ 92,038,831</b>	<b>28</b>	<b>\$ 48,275</b>	<b>\$ 3,562</b>	<b>13</b>	<b>\$ 26,781</b>

Notes:

- (a) Property audit completed by year-end. School audit to be performed in 2017-2018 (83 schools/centers).
- (b) School and property audit results included in this report (39 schools/centers).



## 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	Categories			Total Depreciated Value
					Computers	Audio Visual	Other <sup>(a)</sup>	
North Region Office Schools/Centers								
0321	Biscayne Elementary	1	2	\$ 2,552	\$ 2,552	\$ -	\$ -	\$ -
2441	Virginia A. Boone/Highland Oaks Elementary	1	2	3,087	-	-	3,087	433
3901	North Hialeah Elementary	1	2	5,094	1,099	-	3,995	-
2911	Linda Lentin K-8 Center	1	1	1,840	1,840	-	-	-
6631	North Miami Middle	1	2	2,273	2,273	-	-	-
7751	Barbara Goleman Senior High	1	3	4,298	2,699	1,599	-	588
7201	Miami Beach Senior High	1	2	6,695	-	-	6,695	-
7231	Miami Carol City Senior High	2	5	11,850	2,162	-	9,688	5,144
7591	North Miami Senior High	1	3	16,902	13,303	-	3,599	5,298
Central Region Office Schools/Centers								
7251	Miami Central Senior High	1	5	5,838	5,838	-	-	-
7301	Miami Edison Senior High	1	2	2,138	2,138	-	-	-
7461	Miami Senior High	1	1	5,125	-	-	5,125	3,665
7511	Miami Springs Senior High	1	2	2,078	2,078	-	-	762
7601	William H. Turner Technical Arts Senior High	1	1	1,129	1,129	-	-	-
7791	Booker T. Washington Senior High	2	2	5,318	-	5,318	-	4,439
South Region Office Schools/Centers								
7101	Coral Reef Senior High	1	1	1,695	-	1,695	-	784
7731	Miami Southridge Senior High	1	1	3,216	-	-	3,216	-
TOTAL		19	37	\$ 81,128	\$ 37,111	\$ 8,612	\$ 35,405	\$ 21,113

Note:

(a) "Other" Equipment consisted of two scrubbers at Virginia A. Boone/Highland Oaks Elementary; a poster printer at North Hialeah Elementary; various musical, medical and physical ed. equipment at Miami Beach Sr., Miami Carol City Sr., and North Miami Sr.; a golf cart at Miami Sr.; and a pressure washer at Miami Southridge Sr.

## FINDINGS AND RECOMMENDATIONS

### 1. Disbursements Not Appropriate Or Not Compliant With Disbursement Guidelines *Carol City Middle School*

Our review of disbursements for the 2015-2016 fiscal year disclosed expenditures that were inappropriately paid by the school or that were charged to an account not allowed under the guidelines. We also found that the documentation supporting some of these disbursements was incomplete or missing. In addition, the Internal Fund-General Program and several other internal fund accounts within the Classes and Clubs and Trust Programs closed the fiscal year with deficit balances. These deficits indicate that the school administration was not properly monitoring their overall spending.

This school had limited disbursement activity. For the 2015-2016 fiscal year, total disbursements amounted to approximately \$52,000.

*Most findings noted herein happened under the tenure of the former Principal who resigned in June 2016. A new Principal was appointed to this school in July 2016. In addition, the Treasurer who worked at the school during the audit period transferred to another school in July 2016. The school hired a new Treasurer; however, on a part-time basis.*

Details follow:

#### *Inappropriate Charges Or Charges Posted To Accounts Not Allowed Under Account Guidelines*

- 1.1. A review of charges posted to the school's Special Purpose account<sup>6</sup> disclosed that on January 6, 2016, the school issued an internal fund check to the former Principal totaling \$1,125 that she cashed. According to the supporting documentation on file, this payment was to reimburse the former Principal for a \$1,125 personal fine that the State of Florida Commission on Ethics (the Commission) had levied due to her failure to timely file a *Statement of Financial Interests* for the year 2013 on July 1, 2014 (with a grace period ending on

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<sup>6</sup> According to *Section III, Chapter 4 of the Manual of Internal Fund Accounting*, the Principal has the flexibility to spend revenue from the Special Purpose account at his/her discretion, *as long as the expenditure benefits the school program, school staff, or the students. In this case, the expenditure was for her own personal benefit/gain.*

September 2, 2014). According to the documentation supporting the expenditure, on December 10, 2014, after several unsuccessful attempts to contact the former Principal, the Commission mailed her a *Notice of Assessment and Automatic Fine*, which she appealed. On December 11, 2015, the former Principal's appeal was denied and the final order from the Commission required her to make payment on the fine, which the former Principal passed on to the school. In our opinion, charging the school for a personal financial obligation incurred as a result of her own negligence is not only inappropriate but an act of malfeasance<sup>7</sup>.

- 1.2. We noted charges totaling \$4,380 that were posted to the Instructional Materials and Supplies (Fund 9) account but that were not allowed to be charged to that account according to Fund 9 guidelines<sup>8</sup>. These consisted of a payment made in 2015-2016 totaling \$2,200 for the management of the school's website; and a charge totaling \$780 for the lease of an office copier, as well as two charges for the repair/maintenance of custodial equipment totaling approximately \$1,400 that were paid in 2016-2017. We also noted that at the closing of the 2015-2016 fiscal year, there was an outstanding payment for pest control/exterminating services totaling \$365 for general areas of the school building, which is not allowed to be paid from this account. Regarding the Fund 9 account in general, we noted that it was not fully replenished by year-end. However, some of these issues appeared to be the result that new administration was appointed in 2016-2017 after the former resigned; and the school was left without a Treasurer after the former transferred to another school

#### *Incomplete/Missing Disbursement Documentation*

Pursuant to School Board Policy 6610 *Internal Accounts*, for purchases of \$1,000 or more but less than \$50,000, at least three (3) written quotations must be solicited. One of these quotations **must** be from a certified minority enterprise. In addition, Section II, Chapters 4 and 5 of the *Manual of Internal Fund Accounting* require that the invoice supporting the disbursement be itemized and signed to indicate that goods/services

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<sup>7</sup> According to the response from the North Region Superintendent on pages 44 and 99 of this publication, after the audit exit conference of Carol City Middle, the North Region Office Financial Human Capital Director contacted the former principal (who resides out of the country). The former principal indicated that she would send a check made payable to Carol City Middle School for their special purpose account as a reimbursement. At the time of publication, the receipt of the reimbursement is pending.

<sup>8</sup> Section III, Chapter 9 of the *Manual of Internal Fund Accounting* provides guidelines as well as restrictions over the use of Fund 9 revenue and includes a list of expenditures that are not allowed to be made with Fund 9 revenue. These include, among others: the repair/maintenance and service agreement for copiers costing \$500 or more per year, leases and contracts for professional services (such as website design/management), and exterminating services not related to Family and Consumer classrooms.

have been received and payment is in order. All disbursements must have proper documentation in the form of an original vendor invoice or equivalent documentation as provided by the vendor.

- 1.3. Regarding two disbursements made during the 2015-2016 fiscal year for the purchase of T-shirts for \$1,780, and for the management of the school's website for \$2,200, neither was supported with the minimum of three vendor quotations (including one from a certified minority enterprise) that is required for individual purchases of \$1,000 or more.
- 1.4. We noted ten instances during the 2015-2016 fiscal year where the invoices reviewed were not signed to acknowledge the receipt of goods/services. In three other instances, an original invoice or equivalent documentation was not available for audit.

#### *Overspending of the Internal Funds-General Program and Several Other Internal Fund Accounts*

Pursuant to Section III, Chapters 3, 4 and 8 of the *Manual of Internal Fund Accounting*, schools must not end the fiscal year with a negative balance in accounts from the Classes and Club and Trust Programs. In addition, schools should not close the fiscal year with an overall deficit balance in the General Program.

During the prior audit, the school was cited for overspending and a deficit balance in the District's Athletic Trust Program. During our audit follow-up this year we found that the District's Athletic Trust Program deficit was corrected; however deficits occurred in other accounts within internal funds as follows:

- 1.5. At the end of 2015-2016, the Internal Funds-General Program closed with an overall deficit of approximately \$(160). In addition, several accounts from the Classes and Club and Trust Programs closed the year with deficit balances totaling approximately \$(1,270) in the aggregate. The specific accounts were discussed with the current school administration for follow-up.

## **RECOMMENDATIONS**

- 1.1. **The new school administration should discuss the Fund 9 and Special Purpose guidelines with the new Treasurer to ensure full understanding of those disbursements that are allowable/not allowable to be charged to the accounts.**

- 1.2. The new school administration should discuss the disbursement documentation requirements with appropriate staff to ensure that: 1) written vendor quotations, including one from a certified minority are obtained and filed for individual purchases of \$1,000 or more, and the lowest is selected; 2) invoices are signed to indicate acknowledgement of receipt of goods/services; 3) an original invoice is obtained before disbursement procedures are initiated.
- 1.3. The new school administration should direct the new Treasurer to ensure that the account has available funds before initiating an expenditure and issuing a check.
- 1.4. Periodically, the current school administration should review the internal funds documentation to ensure that it is maintained according to the guidelines. Any non-compliance noted during these periodic reviews should be addressed immediately.

**Person(s) Responsible:**

**Principal, Assistant Principal, Treasurer**

**Management Response:**

The newly appointed Principal met with the new Part-Time Treasurer and the Assistant Principal to review the Manual of Internal Fund Accounting as it relates to Internal Accounts including and not limited to, Fund 9 and Special Purpose guidelines to ensure that proper procedures are followed for disbursements that are allowable/not allowable to be charged to this account.

The Principal met with the Part-Time Treasurer and the Assistant Principal to review documentation requirements with regards to purchases, vendor selections (including one from a certified minority business for purchases of \$1,000.00 or more and the lowest bid selected) and that invoices are signed/acknowledgement of receipt of all goods ordered. Additionally, all club sponsors will be provided with an Activities and Athletic Manual for review and discussion with administration in August 2017 as part of the opening of school procedures.

The Principal has instructed the part-time Treasurer to ensure accounts have funds available before initiating an expenditure or issuing a check. The Principal and the part-time Treasurer will meet to review documents on a weekly basis prior to signature by the Principal to ensure that funds are available and that the process of purchases are completed accurately, and prior to payment, goods have been received.

On a regular basis, the Principal, Assistant Principal and part-time Treasurer will meet to ensure that internal funds documentation is maintained per guidelines and any discrepancies are addressed immediately.

Additionally, the Principal and part-time Treasurer will meet on a regular basis with the District's Business Manager to provide added support.

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

**Management Response:**

The North Region Office Financial Human Capital Director and the new Principal established a plan for the Principal and the new Part-Time Treasurer to implement and monitor with the Assistant Principal to ensure that disbursements are made following guidelines. Additionally, the Principal will thoroughly review the Manual of Internal Fund Accounting with the Assistant Principal and Treasurer.

The Principal was instructed to review Fund-9 and Special Purpose guidelines with the Part-Time Treasurer as well as review the procedures for obtaining written vendor quotations including one from a certified minority for purchases of \$1,000 or more. Also, the Principal was instructed to continue to schedule Internal Funds training sessions with the Business Manager and attend District trainings to in turn strengthen the procedures for disbursements.

The Principal was instructed to meet bi-weekly with the Part-Time Treasurer to strengthen the organization of the school's financial records. They will review all records for accuracy, resolve discrepancies in a timely manner and seek additional assistance if needed. Additionally, the North Region Office Financial Human Capital Director is working with the Principal to actively recruit a Full-Time Treasurer to hire for the new school year.

Lastly, the North Region Office Financial Human Capital Director contacted the former principal (who resides out of the country). The former principal indicated that she would send a check made payable to Carol City Middle School for their special purpose account as a reimbursement.

All affected Principals have been instructed to attend School Operations' Money Does Matter Support Program sessions for the 2017-2018 school year and include specific fiscal management job targets on their Performance Plan and Assessment System Planning Form and provide progress points/evidence of progress to improve Business and Professional Standards for effectiveness and efficiency.

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

School Operations has reviewed the audit findings cited in the 2015-2016 and 2016-2017 fiscal year audit reports of the following schools reporting to the North, Central and South Region Office: Carol City Middle; North Miami Middle; Miami Beach Senior High; Holmes Elementary; Southridge Senior High and Robert Morgan Educational and Technical College. The following preventive actions will be taken through School Operations:

- Monthly, the Districts School Operations Administrative Director will meet with the Region Office Financial/Business Operations Director to review, discuss and identify strategies to implement at effected schools to ensure that adequate controls over collections and disbursements with Internal Funds, P-card, Payroll and OJT – guidelines are adhered to at the school sites.
- School Operations will facilitate and coordinate with the Department of Career and Technical Education a review of Job Training Attendance Records (FM-5248) for the OJT program at the high schools during the first and second semester, prior to FTE Survey week. Additionally, a Weekly Briefing will be sent to all high schools with OJT programs outlining the established procedures for collecting OJT attendance records, timelines and documentation requirements per grading period.
- Continue to work collaboratively with the Region Offices to facilitate and coordinate Fiscal Review Teams of Principals that will conduct on site reviews to further support schools with fiscal and organizational practices.
- Coordinate and provide information to school site administrators and staff on best business practices, including related financial areas of concern through the Money DOES Matter Support Program and the Money DOES Matter Support Program Publication.

School Operations will continue to work with principals to promote efficient fiscal practices.

**2. Review Of The Bookkeeping  
Function Disclosed Account  
Deficits, Incomplete  
Documentation And  
Posting/Deposit Delays  
*North Miami Middle School***

At this school, the Treasurer left for another position with a District department in December 2016. A new Treasurer was hired around the same time. Our review of the financial records for the audit period and the current year disclosed discrepancies with the oversight of account balances and the documentation and timelines involving the collections of funds. We found that:

- 2.1. The checking account's bank statement for June 2016 reported negative daily account balances during four consecutive business days, ranging from \$(858) to \$(2,121). This resulted when a transfer from the money market account was not requested in a timely manner. We extended our review of bank statements corresponding to the 2015-2016 and current fiscal year 2016-2017 up to March 2017 and similar conditions were not detected.

*A similar item regarding account deficits was discussed with the school administration during the prior audit and our audit follow-up detected similar conditions.* Pursuant to Section III, Chapter 1 of the *Manual of Internal Fund Accounting*, schools must not end the fiscal year with a negative balance in the Trust and Classes and Club Program accounts. Specifically:

- 2.2. As of the end of the 2015-2016 fiscal year, several Trust Program accounts closed the year with negative balances totaling approximately \$(2,100). The specific accounts were discussed with the school administration for his information and follow-up.

*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 monies pending deposits at the school; and that two employees are always present when monies are placed into the safe place or removed from the safe place for safeguarding purposes. However,

- 2.3. The Collections/Deposits Log [FM-7249] was not properly maintained during the 2015-2016 fiscal year in that signatures were missing from the log. For the months of March 2016 to June 2016, the form was not evident. We extended our review to the current year up to December 2016 and we still noted errors in the



completion of the form. All instances happened under the tenure of the former Treasurer.

Section II, Chapters 2 and 3 of the *Manual of Internal Fund Accounting* establish the policies and procedures regarding the collection, accounting, and depositing of money generated from Internal Fund activities. One of the requirements is that sponsors must remit monies for deposit in a timely manner.

- 2.4. From our sample of eight deposit packages, four of which corresponded to the current fiscal year, we identified four instances where collections were not timely remitted to the Treasurer for deposit or not timely deposited. Delays ranged up to ten days.

## **RECOMMENDATIONS**

- 2.1. **To prevent negative bank balances, the school should frequently monitor bank balances and transfer funds from the money market account when needed.**
- 2.2. **To prevent deficit balances in the individual accounts, the school administration should ensure that the account has sufficient funds before approving any expenditures and before signing any checks.**
- 2.3. **School staff and administration should review receipting/depositing procedures for understanding and awareness of the requirements. This includes the basic procedures for documenting the collections and for preparing and documenting the deposit packages.**
- 2.4. **The school administration should implement proper utilization of the Collections/Deposits Log [FM-7249] to account for any collections held overnight.**
- 2.5. **Periodically, the school administration should review the internal funds records to ensure that the Treasurer is keeping up with the recordkeeping requirements and the timeliness of posting/depositing of collections.**

**Person(s) Responsible:****Principal, Assistant Principal, Treasurer****Management Response:**

The Principal has reviewed Section III, Chapter 1 of the Manual of Internal Fund Accounting with the Treasurer and the Assistant Principal to ensure an understanding of the procedures to prevent ending the fiscal year with a negative balance in the Trusts, Class, and Club Program accounts.

The Principal has schedule bi-weekly meetings with the Treasurer to review bank balances and transfer funds from the money market account when needed. The review will also ensure that accounts have sufficient funds before approving any expenditure and before signing any checks to prevent deficit balances in the individual accounts. The Principal has also reviewed with the Treasurer the financial records for the current year in regards to the oversight of account balances, documentations, and timelines involving the collections of funds.

The Principal has reviewed the policies and procedures with the Assistant Principal and the Treasurer regarding safeguarding funds and the importance of monitoring Collection/Deposit Logs accurately. A copy of Weekly Briefing No. 5164 and the Collections/Deposit Log [FM-7249] was reviewed with the appropriate staff to ensure that there is an understanding and awareness of the requirements for any collections held overnight.

The Principal has reviewed Section II, Chapter 2 and 3 of the Manual of Internal Fund Accounting and has established monthly reviews of internal fund records with the Treasurer to include timelines of posting depositing of collections and recordkeeping requirements.

The Principal and the Treasurer will attend the District's Money Does Matter Support Program and communicate on a regular basis with the District's Business Manager for additional support.

**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 and Assistant Principal to ensure that bookkeeping functions follow procedure and that controls are established to ensure disbursements are made following guidelines. The Principal will thoroughly review the Manual of Internal Fund Accounting with the Treasurer and Assistant Principal.

The Principal was instructed to review bank balances, receipting/depositing procedures and the proper utilization of the Collections/Deposit Logs. Additionally, the Principal was instructed to schedule Internal Funds training sessions for the Treasurer with the Business Manager and attend District trainings to strengthen bookkeeping controls.

The Principal was instructed to meet bi-weekly with the Treasurer to strengthen the organization of the school's bookkeeping records. He will review all records for accuracy and resolve any discrepancies in a timely manner.

Lastly, all affected Principals have been instructed to attend School Operations' Money Does Matter Support Program sessions for the 2017-2018 school year and include specific fiscal management job targets on their Performance Plan and Assessment System Planning Form and provide progress points/evidence of progress to improve Business and Professional Standards for effectiveness and efficiency.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 45 of this report and page 104 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of North Miami Middle School.

### **3. Controls Over Disbursements Not Always Observed *North Miami Middle School***

As noted in the previous finding, at this school, the Treasurer left for another position with a District department in December 2016. A new Treasurer was hired around the same time. Our review of disbursements for the 2015-2016 and the current year disclosed that the school did not always follow the proper procedures for making and documenting disbursements. We also found instances of expenditures charged to an account not allowed under the account's specific guidelines.

Pursuant to School Board Policy 6610 *Internal Accounts*, for purchases of \$1,000 or more but less than \$50,000, at least three (3) written quotations must be solicited. One of these quotations must be from a certified minority enterprise, according to School Board Policy 6320.02 *Minority/Women Business Enterprise Certification Procedures*. The quotations must be included as part of the ancillary documentation to show that the lowest price was selected.

- 3.1. In five instances regarding disbursements of \$1,000 or more, the minimum of three written vendor quotations were not obtained, or those obtained did not include one quotation from a certified minority enterprise. Two of these disbursements (which were not supported by any quotations) involved several invoices from the same vendor ranging from approximately \$125 up to \$999. In both instances, the invoices were dated on the same day in November 2016 and in January 2017.

Pursuant to guidelines in Chapter II, Section 6 of the *Manual of Internal Fund Accounting*, expenditures associated with capital improvement projects require that written requests for capital improvement projects be presented to the Region Office and the District's Office of School Facilities for approval prior to commencing the project. In addition, regarding charges to the Instructional Materials and Supplies (Fund 9) account, Section III, Chapter 9 of the *Manual provides a list of expenditures that should not be paid with Fund 9 revenue*<sup>9</sup>. These include capital improvement expenditures. We found that:

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<sup>9</sup> 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. Once 25 percent of the total amount established for this account is reached and at year-closing (regardless of the amount spent), the account must be replenished. 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.

- 3.2. Unallowable disbursement posted to the Fund 9 account included charges totaling approximately \$2,750 for the installation of computer cabling in one classroom and associated labor charges. These are capital improvement/remodeling-type projects which require special approval from the Region and District offices; however, the approval was not on file.

Regarding the process for reporting Fund 9 expenditures to the District and timely replenishing the account, the *Manual* states that expenditures must be processed during the fiscal year when 25% of the threshold limit has been expended by the school. All Fund 9 expenditures, even if they do not reach the 25% threshold, must be reported before June 30 of every year.

- 3.3. For the 2015-2016 fiscal year, the June 2016 Fund 9 reconciliation was not evident. In addition, Fund 9 reconciliations from July 2015 to November 2015 disclosed errors and were not properly completed.
- 3.4. In addition, for the 2015-2016 and 2016-2017 fiscal years up to December 2016, the Fund 9 account was not replenished in a timely manner. The account's established balance is \$15,000; however, at the end of the 2015-2016 fiscal year, it only reached approximately \$6,800. The first replenishment for the 2016-2017 fiscal year was not processed until December 2016, but as of April 19, 2017, the account has been fully replenished.

## RECOMMENDATIONS

- 3.1. **Regarding the matter of the written quotations, the school administration should direct staff to solicit quotations, including one from a certified minority as required by the guidelines; and should ensure that the lowest quotation is selected. Split purchases are strictly prohibited.**
- 3.2. **The school administration should discuss the Fund 9 guidelines with the current Treasurer to ensure that replenishments are processed in a timely basis and only those disbursements allowable by the guidelines are posted to the account.**
- 3.3. **Periodically, the school administration should review the internal funds documentation to ensure that the documentation is maintained according to the guidelines. Any non-compliance noted during these periodic reviews should be addressed immediately.**

**Person(s) Responsible:**

**Principal, Assistant Principal, Treasurer**

**Management Response:**

The Principal has reviewed School Board Policy 6320.02 Minority/Women Business Enterprise Certification Procedures with the Treasurer and the Assistant Principal to ensure a greater understanding of this policy. In addition, the Principal will review with staff the procedures for soliciting quotations, including one from a certified minority as required by guidelines and will ensure that the lowest quotation is selected. Furthermore, the Principal has reviewed with the Treasurer that split purchases are strictly prohibited.

The Principal has reviewed Chapter II Section 6 and Section III, Chapter 9 of the Manual of Internal Fund Accounting with the Treasurer in regards to Fund 9 guidelines to ensure an understanding of timely replenishment processing and that only disbursements allowable by guidelines are posted to the account. Additionally, the Principal will review the internal funds accounts on a monthly basis with the Treasurer to ensure guidelines are followed.

The Principal will continue to meet with the Treasurer and Assistant Principal to review internal funds documentation to ensure recordkeeping is accurate and maintained according to guidelines. Any discrepancies will be corrected immediately.

**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 and Assistant Principal to ensure that proper procedures for making and documenting disbursements are followed according to guidelines. The Principal will thoroughly review the Manual of Internal Fund Accounting with the Treasurer and Assistant Principal.

The Principal was instructed to meet with the Treasurer and Assistant Principal on a bi-weekly basis to ensure they solicit quotations, including one from a certified minority as required by guidelines, that they solicit the lowest quotation and that purchases are not split. Also, the Principal was instructed to review the Fund 9 guidelines to ensure replenishments are processed timely and that only disbursements allowable by guidelines are posted to the account.

Additionally, the Principal will review the internal funds documentation on a regular basis to ensure documentation is properly maintained. The Principal will review all records for accuracy and resolve any discrepancies in a timely manner.

Lastly, all affected Principals have been instructed to attend School Operations' Money Does Matter Support Program sessions for the 2017-2018 school year and include specific fiscal management job targets on their Performance Plan and Assessment System Planning Form and provide progress points/evidence of progress to improve Business and Professional Standards for effectiveness and efficiency.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 45 of this report and page 104 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of North Miami Middle School.

**4. Insufficient Controls Over  
Capitalized Property  
Inventory Resulted  
In Loss Of Equipment  
And The Reporting Of  
“Unlocated” Items  
*Miami Beach Senior High***

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”.

Our most recent property inventory, which we finalized in May 2017, consisted of the physical verification of 599 property items with an individual cost of \$1,000 or more and a total acquisition cost of approximately \$1,845,800.

Our physical verification of the property disclosed that 24 of these items with an acquisition cost of approximately \$42,200 and a depreciated value of approximately \$3,600 could not be accounted for and are reported as “unlocated”. These included 14 technology-related equipment items (such as laptops, computers and audio-visual equipment), a laptop cart, five musical instruments and four custodial-related equipment items.

**RECOMMENDATIONS:**

- 4.1. 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.**
- 4.2. 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.**
- 4.3. 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.**



- 4.4. The school administration should discuss with staff responsible for overseeing the inventory the requirements for documenting the disposal or transfer of equipment to another location and the requirements and use of the proper forms.**

**Person(s) Responsible:** **Principal, Assistant Principal, Head Custodian, Department Chairs, IT Technician, and all teachers**

**Management Response:**

The Principal has made numerous changes in the property control monitoring procedures for the 2017-2018 school year. Additionally, the Principal has met with the newly assigned Assistant Principal who will assist with property control inventory to review the importance of monitoring and following established procedures for safeguarding property assets. In addition, at the opening of school's meeting, all instructional and non-instructional staff will be provided procedures for property control management and a schedule to monitor property assets on a regular basis.

In addition, an internal form with property control items located in each staff member's specific work area(s) has been developed to facilitate monthly in-house property inventories. Each staff member with items on the property control inventory in their specific work area will be responsible for ensuring that the items are accounted for monthly.

On a quarterly base, the Assistant Principal will review and update the inventories to ensure that all items are accounted for and are in the appropriate area to prevent the potential loss of items. Any items on the property inventory noted missing will be reported immediately to school police and a Plant Security Report will be completed. Additionally, a file will be kept by the Assistant Principals of any property that has been removed from the school site on the appropriate documents such as Outgoing Controlled Equipment, Student Obligation or Offsite Use of School Board Property forms.

After each of these quarterly in-house property inventories the Principal will meet with the Assistant Principal to review all findings and follow up as necessary.

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

**Management Response:**

The North Region Office Financial Human Capital Director and the Principal established an action plan for the Principal to implement and monitor with the Assistant Principal to ensure the safeguarding of assets and the management of property. The Principal will

thoroughly review the Manual of Property Control Procedures with the Assistant Principal.

The Principal was instructed to review with all faculty and staff their responsibility as it relates to procedures for maintaining control over property and to complete the North Region Office mandated “In-House Property Reviews” with fidelity, three times a year, and to address discrepancies in a timely manner and complete a Plant Security Report immediately upon discovery of any missing property.

The Principal was instructed to follow procedures utilizing the proper forms for documenting the disposal or transfer of equipment to another location. Additionally, 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.

Lastly, all affected Principals have been instructed to attend School Operations’ Money Does Matter Support Program sessions for the 2017-2018 school year and include specific fiscal management job targets on their Performance Plan and Assessment System Planning Form and provide progress points/evidence of progress to improve Business and Professional Standards for effectiveness and efficiency.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 45 of this report and page 104 in the report’s Appendix Section for School Operations administration’s comprehensive response addressing the recommendations to the school findings of Miami Beach Senior High School.

**5. Incomplete And  
Disorganized  
Payroll Records  
Under Tenure  
Of Former Treasurer  
Led To Discrepancies  
And Current Sign-In  
Payroll Procedures  
Need Improvement  
*Holmes Elementary School***

At the inception of the audit visit, the Principal expressed concerns regarding the financial and payroll documentation handled by the former full-time Treasurer during her tenure at the school<sup>10</sup>. According to the Principal, after the former Treasurer left, staff hired to assist with the financial and payroll functions brought to her attention that records were missing. They found that the former Treasurer had removed official documents from the school without the Principal's knowledge and consent, supposedly, to complete and organize them. After several attempts, the Principal was able to obtain the records; however, they were provided in disarray.

Because of the Principal's concerns, we reviewed payroll records corresponding to the 2015-2016 fiscal year to determine their condition. Our review disclosed that, overall, payroll records were disorganized, incomplete, and several were missing. Given their condition, we were unable to determine that payroll reporting errors occurred; however, we determined that the records were not fully supportive of the payroll reported.

At present, the school has a full-time Treasurer who also performs the duties of payroll preparer. We extended our review to selected current payrolls and observed payroll sign-in procedures. Although our review of the current payroll records disclosed a significant improvement in recordkeeping and organization, and rosters reviewed were signed, we noted some discrepancies in the sign-in procedures of employees. Details follow:

*Condition of Payroll Records for Prior Pay Periods*

At this school, the Principal approves the payroll. We sampled three non-consecutive pay periods for review for the 2015-2016 fiscal year (October 2015, January 2016 and April 2016). We found that:

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<sup>10</sup> In addition to the bookkeeping of the internal funds of the school, the former full-time Treasurer performed the duties of the Payroll Clerk and the Purchasing Clerk from July 13, 2015 to August 26, 2016. She left the school for a position within the District's Maintenance Department.

- 5.1. In all three pay periods, we found instances where leave cards were not filed with the records; and instances where the Final Rosters were not signed. Regarding the Final Rosters, we also noted that some had been flagged to denote where signatures were missing. In two of the pay periods reviewed, we also found instances where the employee's record of daily attendance was left blank on the Daily Payroll Attendance Sheet; however, in some of these instances, the employee was reported present, while in others, they were reported on leave for a particular day. Additionally, the rosters of Temporary Substitutes were not properly completed in that they were missing some information, such as indication of full or half days worked, the accounting structure where the substitute's payroll should be charged, or an indication of the absent employee's name and employee number.

#### *Condition of Current Payroll and Current Payroll Sign In Procedures*

According to procedures in the *Payroll Processing Procedures Manual*, part-time and full-time employees must reflect their attendance in the attendance rosters by noting their initials or the time in/out, as applicable, *upon arrival*. Days and hours worked should be recorded on a daily basis to facilitate the preparation of the Payroll Attendance Roster. Payroll procedures for recording the attendance of substitutes require that in addition to their initials, records must indicate whether they attended half or full day, the accounting structure to be charged and the name and employee number for whom the substitute was hired.

We reviewed two current pay periods in 2016-2017. In addition, we physically observed sign-in procedures of faculty and staff at the time of our audit visit.

- 5.2. We observed some instances where full-time and part-time employees did not record their attendance on the Daily Payroll Attendance Sheets *upon arrival*; as well as a few instances where full-time and part-time employees did not indicate their presence one or more days on the Daily Payroll Attendance Sheets while they were in attendance. We also identified a few employees who had signed on the Daily Payroll Attendance Sheets *ahead of their scheduled time*. We provided this information to the Principal for her information and corrective action.

Other minor payroll discrepancies noted in the records were discussed with the administration for follow-up and corrective action.

## RECOMMENDATIONS

- 5.1. Review with staff the proper sign-in payroll procedures to ensure awareness, understanding and compliance with the procedures.
- 5.2. Discuss with the Payroll Clerk the guidelines in the *Payroll Processing Procedures Manual* to ensure awareness and understanding of the procedures for recording, reporting and filing payroll records, including the leave cards and payroll corrections.
- 5.3. Strengthen the overall review of payroll to ensure the accuracy, completeness and propriety of the payroll reported by assigning an administrator to oversee payroll.
- 5.4. Direct the administrator to periodically review the sign in sheets of full-time and part-time employees to ensure that employees are documenting their attendance (full-time) or signing in/out (part-time) in a timely manner.
- 5.5. Meet with the administrator before the final approving of payroll to ensure that records were reviewed and all discrepancies were resolved prior to final reporting.

**Person(s) Responsible:**

**Principal,  
Assistant Principal, Payroll Clerk**

**Management Response:**

Proper sign-in payroll procedures will be reviewed with the staff during the Opening of Schools Faculty Meeting to be held on August 17, 2017 to ensure awareness, understanding and compliance with all payroll procedures. Emphasis will be placed on signing in upon arrival daily, and *not* signing in and out ahead of scheduled time. This information will also be reviewed with all hourly employees during their opening of school meeting, or upon their hire during and throughout the school year.

The Payroll Processing Procedure Manual will be reviewed with the Payroll Clerk and Assistant Principal to ensure understanding and compliance with all payroll procedures. A log will be kept of assigned chapters, and dates that assigned chapters are reviewed. Special attention will be reserved for appropriate procedures concerning leave cards and correct notations on timesheets for recording leave, in addition to correct procedures for recording temporary substitutes assignments and time worked. This task will be completed by August 1, 2017.

The Assistant Principal will assist with monitoring sign-in procedures for both the full-time and part-time payroll sign-in sheets to ensure employees are documenting their time accurately and in a timely manner. To strengthen the review process, the Assistant Principal will oversee the completion of the payroll before it is presented to the Principal for review to ensure accuracy and completeness.

The Principal will meet with the payroll clerk before the final approval to review and correct errors and discrepancies.

**Person(s) Responsible:** **Central Region Office Administration**

**Management Response:**

The Financial/Business Director instructed the Principal to meet with staff to review the district guidelines, specifically how they relate to maintaining payroll records. The Payroll Clerk (Treasurer), Assistant Principal and Principal will review the payroll as well as conduct periodic reviews of payroll procedures to ensure accuracy.

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

- The affected Principal 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 Principal to attend 2017-2018 Money DOES Matter Support Program.

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

**Management Response:**

Refer to page 45 of this report and page 104 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Holmes Elementary School.

**6. P-Card Disbursement  
Documentation  
(Including Title I Program  
Purchases) Not  
Properly Completed  
Or Filed Resulted  
In Discrepancies  
*Holmes Elementary School***

Upon our initial audit visit, the school could not locate the records corresponding to the Purchasing Card or Title-I Program expenditures for the 2015-2016 fiscal year. Some of these records were subsequently located in file cabinets while searching for related documents, while others (related to P-Card reconciliations) were located by the auditor in the District's accounting system. As noted in the previous finding, the former Treasurer, who also acted as the Purchasing Clerk from July 13, 2015 to August 26, 2016 had left the school for a position within the District's Maintenance Department and staff was hired on an hourly basis to assist with the purchasing function. At present, full-time staff has been hired to perform these duties.

Overall, our review of the 2015-2016 fiscal year P-Card and Title I Program records disclosed that files were neither complete nor organized. We extended our review of these records to the current year 2016-2017 and found records that were complete and organized. Minor discrepancies noted in the current P-Card records were discussed with the administration for follow-up and corrective action. Details follow:

The *Purchasing Credit Card Program Policies & Procedures Manual* establishes the procedures for documenting credit card (P-Card) purchases. Purchases made utilizing the P-Card are supported by administrative approval on the Purchase Authorization Form [FM-5707]. Regarding the requirements for documentation supporting a charge, an itemized invoice must be obtained from the vendor and the signature of the individual who received the merchandise/services must be affixed to the invoice to indicate acknowledgement of receipt of goods or services.

We reviewed the P-Card reconciliations corresponding to the 2015-2016 fiscal year. From our review we found that:

- 6.1. P-Card monthly reconciliations and supporting invoices for August 2015, December 2015 and April 2016 could not be located in the school files. Copies of these documents were located by the auditor in the District's accounting system.
- 6.2. Regarding P-Card purchases that were charged to Title I Program accounts, there were instances where the supporting invoice and the justification for making the purchase (as required by Title I Program guidelines) was not filed in

the Title I filing system. As previously noted, copies of some of these documents were located by the auditor in the District's accounting system, while other documents were located in a filing cabinet. Most purchases related to classroom reading, science and student supplies; and appeared to meet Title I Program guidelines.

- 6.3. In several instances, the invoices were not signed to indicate that goods and services had been received.
- 6.4. In several instances, the Purchase Authorization Form was not on file, and those found were not always signed by the Principal.

## **RECOMMENDATIONS**

- 6.1. **The school administration should discuss the Purchasing Card guidelines and requirements with faculty and staff for awareness and understanding of the requirements; and should strengthen review over P-Card disbursements.**
- 6.2. **The school administration should ensure that a properly completed and signed Purchase Authorization Form [FM-5707] is included in the file for each P-Card purchase.**
- 6.3. **The school administration should ensure that invoices are obtained to document/support all purchases. In addition, they must be signed to indicate acknowledgement of receipt of goods/services.**
- 6.4. **Regarding Title I Program purchases, the school administration should ensure that staff maintains a Title I filing system that includes all support and justification for the Title I Program purchases.**

**Person(s) Responsible:**

**Principal,  
Assistant Principal, Secretary/Treasurer,  
Community Involvement Specialist (CIS)**

**Management Response:**

The Principal will review the Purchasing Card Program Policies and Procedures Manual with the Secretary/Treasurer and Assistant Principal to ensure awareness and understanding and compliance of the requirements. A log will be kept of the timeline utilized to review the sections of the manual. To strengthen review over the P-Card disbursements, the P-Card will not be used unless approved by the Principal as verified by the signature on the Purchase Authorization Form [FM-5707]. This authorization form



will be included with the monthly P-Card documentation packet for the Principal to review to ensure the procedures are being adhered to.

The Principal and the Secretary/Treasurer will ensure that invoices are secured for all purchases and that the invoices acknowledge goods/services received before the Principal signs/approves any documents. The acknowledgement of receipt of goods/services must be documented prior to any final payments are made on purchases.

The Principal, Assistant Principal, Community Involvement Specialist (CIS) and Secretary/Treasurer will ensure that support and justification for all Title I Program purchases be maintained in the Title I filing system. Once purchases are approved, documentation will be placed in the file.

**Person(s) Responsible:** **Central Region Office Administration**

**Management Response:**

The Financial/Business Operations Director instructed the Principal to develop a procedure that will be followed that denotes the proper steps in the P-Card and disbursement process. The procedures will have the administrator overseeing the internal funds part of the checks and balances to ensure all the proper documentation is provided when purchasing from the P-Card with special attention to justifying and documenting purchases made with Title I funds.

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

- The affected Principal 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 Principal to attend 2017-2018 Money DOES Matter Support Program.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 45 of this report and page 104 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Holmes Elementary School.

**7. School Non-Compliant With  
Full-Time Equivalent FTE  
Records And Procedures  
Resulted In Potential  
FTE Funding  
Disallowances  
In On-the-Job  
Training Records  
*Miami Southridge Senior High School***

Our review of a sample of FTE records in 2016-2017 found discrepancies in the area of On-the-Job (OJT) Training. Based on our sample, the non-compliant issues identified in this area could have generated a funding disallowance to the District totaling approximately \$2,900. Details are as follows:

According to District guidelines, all cooperative education students must be scheduled for one period of job related instruction and a minimum of one period of On-the-Job (OJT) training during the day.

Attendance for the OJT period(s) will be reported on the *Job Training Attendance Records* [FM-5248]; otherwise referred to as the student's Time Card. Also, the *Job Training Attendance Records Receipt (FM-5889)* and the *FTE Class Membership Report (T13248801)* should be appropriately maintained in the FTE Box for each grading period. It is the teacher's responsibility to ensure the proper completion and submittal to the FTE designee at each school.

Students enrolled in a cooperative education program must work a minimum average of 15 hours per week (within the grading period) with most of the employment being during the school week. Students should not be placed in the OJT course unless they are employed.

Our review of a sample of ten OJT student records revealed the following discrepancies in 6 records (60%), which could have generated a funding disallowance to the District totaling approximately \$2,900:

- 7.1. In four instances, the student was not employed during the entire grading period or during FTE Survey week. Nevertheless, the students continued to be enrolled in OJT courses, which generated additional funding. Furthermore, the students' Job Training Attendance Records, which showed that these four students were not employed, were signed by an instructor that was not in charge of the program.

- 7.2. In two instances, the hours reported during FTE Survey Week were less than the required minimum of 15 hours per week.
- 7.3. Job Training Attendance Records Receipt (FM-5889) and the FTE Class Membership Report (T13248801) were not evident at the time of the audit.

## **RECOMMENDATION**

7. **To reduce the probability of potential losses in funding and other non-compliance issues regarding OJT criteria, the principal or administrative designee should discuss procedures with staff overseeing the OJT program and should ensure that students enrolled in these courses are working the minimum average of 15 hours per week (within the grading period).**

**Person(s) Responsible:**

**Principal,  
Assistant Principal, Registrar  
and OJT Staff**

## **Management Response:**

To ensure compliance with the OJT criteria, the Principal will assign a different Instructor for the course for the 2017-2018 school year. The Principal will contact the CTE office to ensure that the newly identified Instructor receives proper training regarding the procedures of the OJT program. Furthermore, the Principal has assigned an Assistant Principal to oversee the program. In addition, prior to the opening of the school year, the Principal will meet with the Assistant Principal, the Instructor, and the Registrar to ensure that all staff are aware of the program requirements related to the minimum average of work hours per week, within the grading period.

The Assistant Principal will meet with OJT staff periodically to review the status of the students enrolled in the course. The week prior to FTE Survey Week, the Principal will meet with the OJT staff and review the schedules, the Job Training Attendance Records (FM-5248) of each of the students enrolled in the class, and the FTE Class Membership Report for the course. Any necessary changes will be effected by the Registrar for any student who does not meet the minimum requirements of the course. The Registrar and the Principal will attend the mandatory FTE workshop provided by the District.

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

The South Region Office Financial/Business Operations Director instructed the Principal to become familiar with the procedures for scheduling students in cooperative education courses. The South Region Office Financial/Business Operations Director contacted District staff to assist the Principal in securing training for the newly assigned Instructor of the course.

The Financial/Business Operations Director directed the Principal to develop a system for the monitoring of the records related to the On-the-Job (OJT) training program.

Additionally, the affected school Principal will be required to participate in the District's Money DOES Matter Support Program during the 2017-2018 school year.

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

Refer to page 45 of this report and page 104 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Miami Southridge Senior High School.

**8. Mismanaged Fundraisers  
Resulted In Monetary  
Losses, Overspending  
And Incomplete  
Fundraising Records  
*Robert Morgan*  
*Educational Center (Senior High School)***

The conditions reported herein for the 2014-2015 and 2015-2016 fiscal years' financial activity happened under the tenure of the former Principal. A new Principal was assigned to this school on June 22, 2016.

Prior to the start of the audit, our office was apprised of two separate investigations involving financial matters of the school, one of which involved the internal funds of the school (which is under the scope of our audit). This particular investigation was conducted by the Office of the Inspector General (OIG)<sup>11</sup> and directly relates to the finding below. The OIG investigation involved the school's former Activities Director, who was employed at the school since 2006 and who resigned from her employment with the school system effective October 21, 2016. The second investigation, being conducted by Miami-Dade County School Police, is ongoing.

Our office reviewed the fundraiser which was part of the OIG investigation and which consisted of the sale of bagels and servings of cream cheese (packed in individual containers) on school grounds during the school day. This sale happened throughout the 2014-2015 and 2015-2016 fiscal years, almost on a daily basis. For both fiscal years, our review disclosed monetary shortfalls which ranged from approximately \$(6,200) to \$(14,400) in 2014-2015, and from \$(6,300) to \$(13,200) in 2015-2016. The reason for the range of the losses is that key information such as unit sales price and quantities sold was not reflected in the sales and fundraising records; therefore, this lack of information prevented us from calculating the loss with greater accuracy. However, based on the information that was available, we determined that significant losses were incurred in both years reviewed.

Due to the lack of records available for audit, we were unable to substantiate that the monetary shortfalls were due to theft; however, we were able to substantiate overall mismanagement of the fundraiser which led to loss of revenue during both fiscal years and overspending in 2015-2016. We concluded that the former Activities Director was negligent in managing the day-to-day operations regarding sales, to the point where the activity generated losses without anyone paying attention until it was too late. In

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<sup>11</sup> The OIG received an anonymous complaint alleging, among several issues, theft related to the 2015-2016 bagel fundraiser, which was sponsored by the former Activities Director. An OIG report on the results of their investigation is pending.

addition, we concluded that the Treasurer did not review the sales/fundraising documentation provided by the sponsor to ensure that they complied with proper internal funds procedures. We further concluded that the former Principal delegated her authority to the Activities Director, but did not provide the necessary oversight to ensure that the activity was properly conducted.

Regarding the supporting documentation for other activities reviewed that were sponsored by the former Activities Director, we identified other instances during the 2014-2015 and 2015-2016 fiscal years of similar monetary shortfalls (although smaller); records (under the purview of the former Activities Director) that were either missing, incomplete, or not properly approved; and corresponding Student Activity Operating Reports that were incorrectly prepared.

For the current school year up to the date of our visit, based on our test of selected activities, it appears that the new Principal has instituted proper controls over fundraisers, and especially over the sale of bagels/cream cheese. We extended our review to the current bagel/cream cheese fundraiser and noted a positive and significant turnaround in the controls over the activity. We noted that quantities of bagel/cream cheese ordered were significantly reduced to prevent waste, the Cafeteria Manager is in charge of placing the orders with the vendor, the financial records disclosed minimal discrepancies, and the account listed a positive balance as of the conclusion of the audit visit. A new Activities Director was hired in January 2017.

Details follow:

#### *Background on Bagel Sales and Discovery of Discrepancy*

The bagel sales were part of the Cooperative Sales Program established by the Department of Food and Nutrition. This program is conducted in partnership with the Athletics/Activities Departments of senior high schools and the School Food Service Program. Under the program, there is a list of approved items that may be procured through the school's Food Service Manager (working in the school's Cafeteria) to be sold by the designated athletic/activity sponsor during the school day. The bagels can only be procured from those vendors associated with the program who are selected by the District following proper procurement procedures. Although the program procedures indicate the Food Service Manager as the party responsible for ordering the merchandise from the vendors, at this school, the former Activities Director was the party responsible for contacting the vendor, placing the orders, and for making changes or cancellations to orders. *Therefore, she had absolute control over this activity.*

At this school, the bagel fundraising account had closed with positive balances in previous years. Profits from this activity were used to provide much needed funding for general student activities. According to the Treasurer, during the 2015-2016 fiscal year-

end closing of account activity, she brought to the attention of the former Principal that the bagel fundraising account was closing the year with a deficit balance of \$(145). According to the Treasurer, the former Principal gave her instructions to further analyze this account; however, the former Principal was promoted to a District position and a new Principal was appointed to the school for the 2016-2017 school year. It appears that this issue was not further analyzed by the school, since according to the new Principal, he was not made aware of any issues in the prior year's bagel sales until later notified during the OIG investigation in August 2016. He stated that at the beginning of the 2016-2017 school year, he met with staff to discuss general procedures; however, when he would schedule a meeting with the former Activities Director to discuss specific procedures that he was implementing, he noticed lack of cooperation from the former Activities Director who would not show up claiming she was busy. She finally resigned from the school system effective October 21, 2016.

#### *Details of Our Analysis of Fundraiser*

According to the Application for Fundraising Activity for the bagel sales that was located in the files for both fiscal years, the individual sales price of the bagels was listed as \$1.00; however, the application did not have reference to the cream cheese servings or to a sales price for each serving. During the interview of the former Activities Director that the OIG conducted during their investigation, she stated that the selling price of the bagels was \$1.25 (which may have included the cream cheese). Consequently, we considered both sales prices in our analysis to calculate a range of losses (line A on table below). Our analysis involved an additional caveat: because the lack of information in the records preclude us from determining how many cream cheese servings were actually sold with each bagel (if one serving was included as part of the sales price, if the serving was sold separately, or if additional servings could be purchased by themselves), our analysis was based on the sale of one bagel/one cream cheese serving combination at \$1.00 or \$1.25 (line C on table below). Therefore, the total cream cheese servings purchased which exceeded the total bagels purchased for each of the fiscal years under review were not included in the monetary shortfall calculations (line H on table below). This additional merchandise could have generated additional revenue and thus result in additional losses; however, this remained inconclusive. The monetary shortfalls calculated by us based on the two different sales prices are listed on line G of the table below.

- 8.1. Upon review of purchases of bagels and cream cheese, we noted that during the 2014-2015 fiscal year, the school would customarily order between 14-18 dozen bagels on a daily basis and cases of 100 cream cheese servings (depending on bagel quantities purchased) for a total of 32,832 bagels and 34,200 cream cheese servings. However, collections posted to the account amounted to only \$26,569.



In 2015-2016, the orders were decreased to 14 dozen bagels and cases of cream cheese servings daily for a total of 27,312 bagels and 32,100 cream cheese servings<sup>12</sup>. However, collections posted to the account amounted to only \$20,977. During both years the number of orders placed with the vendor was the same (a total of 165 orders during each fiscal year). Refer to the table that follows for detailed calculations:

	Description	Fiscal Years			
		2014-2015		2015-2016	
A	Unit Sales Price	\$1.00	\$1.25	\$1.00	\$1.25
B	Total Bagels Purchased	32,832	32,832	27,312	27,312
C	Total Cream Cheese Purchased	34,200	34,200	32,100	32,100
D	Bagels/Cream Cheese Available For Sale (One Bagel & One Cream Cheese Unit For Sale) (Amount of B = Amount of C)	32,832	32,832	27,312	27,312
E	Projected Sales (Sales Price x Unit)(A x D)	\$ 32,832	\$ 41,040	\$27,312	\$ 34,140
F	Actual Sales Posted To Account	\$ 26,569	\$ 26,569	\$20,977	\$ 20,977
G	<b>Monetary Shortfall (Actual - Projected) (F-E)</b>	<b>\$ (6,263)</b>	<b>\$(14,471)</b>	<b>\$(6,335)</b>	<b>\$(13,163)</b>
H	Cream Cheese Not Included In Analysis (Total Purchased-Total Available For Sale With Bagel) (C-D)	1,368	1,368	4,788	4,788

#### *Fundraising Documentation Requirements and Timelines For Turning In Collections For Deposit Not Met*

Section IV, Chapter 2 of the *Manual of Internal Fund Accounting* establishes the procedures for conducting and documenting fundraisers. Under the Principal's ultimate approval and oversight of fundraising activities, supporting documentation should include: an Application For Fundraising Activity [FM-1018], a Student Activity Operating Report [FM-0996], a Complimentary List [FM-6679] (to document items given free of charge), a Certificate of Loss [FM-0997], and a Certificate of Disposal [FM-2918] (in the event of perishable items). All related documentation must be maintained for audit purposes. In conjunction, Section II, Chapter 2 of the *Manual* sets forth the policies and procedures for monies collected or handled by school employees in connection with school sponsored activities. Procedures require, at a minimum, that collections be documented with an itemized Recap of Collection [FM-1004]. This form must be submitted to the school treasurer as support for the collections to be recorded and deposited in the school's internal funds checking account. In the case of merchandise sales (such as the bagel and cream cheese sales), the Recap of Collections must include details as to *quantities sold and unit prices* in addition to the total amount collected and the breakdown of check/cash turned in for deposit. All monies must be turned in for deposit on the same day collected.

<sup>12</sup> Daily orders consisted of 14 dozen (168 bagels) and 200 cream cheese servings.

- 8.2. For both fiscal years, regarding this fundraiser, we noted that all the corresponding Recap of Collection forms supporting the collections only listed total amounts collected, which consisted of dollars. No change was ever part of the collections reported.
- 8.3. The Student Activity Operating Reports for both fiscal years were mathematically incorrect and incomplete since the information did not match amounts collected and did not list items unaccounted for. During our inquiries, we were told that unsold bagels were discarded, and it also appears that some may have been given away to a few students; however, a Complimentary List [FM-6679] (to document items given free of charge) and/or Certificates of Disposal [FM-2918] (to document items discarded due to spoilage) were not on file.
- 8.4. Although during both fiscal years we noted that bagels were ordered and sold on a daily basis, the corresponding collections were not turned in for deposit on a daily basis.

#### *Current Status of Bagels Fundraiser Shows Positive Results*

In October 2016, upon the resignation of the former Activities Director, the current Principal suspended the fundraiser until a new Activities Director was hired in January 2017.

Under the new Activities Director, controls over sales and purchases were fully implemented<sup>13</sup>. These new controls included a further reduction in the number of bagels ordered (daily order reduced to six dozen bagels), keeping track of the inventory of cream cheese on hand (since it can be refrigerated), properly documenting quantities sold and unit prices of each on the Recaps, and properly documenting the disposal of bagels/cream cheese. As of May 9, 2017, our analysis of the sale of bagels and cream cheese was satisfactory, the supporting documentation was appropriate, the school maintained an inventory of merchandise on hand (cream cheese), and the account disclosed a positive balance of almost \$4,200.

#### *Other Fundraising Activities Reviewed Not In Compliance*

- 8.5. We extended our review to several other fundraising activities overseen by the former Activities Director for both the 2014-2015 and 2015-2016 fiscal years, and

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<sup>13</sup> Our review of the bagel fundraiser from August 2016 to the time of the Activities Director's resignation in October 2016 showed a marked improvement in the controls and recordkeeping over the disposal of items. During this new fiscal year, the daily order decreased to eight dozen bagels and one box of cream cheese. However, the Recap of Collections continued to reflect only total sales and not quantities sold/unit prices for each.

similarly identified monetary discrepancies and missing supporting documentation. The school was unable to locate Student Activity Operating Reports, Complimentary Lists and ancillary fundraising documentation. It appears that the documentation in question was housed in the former Activities Office and may have been discarded by the former Activities Director before she left the school (as result of her resignation). According to the new Activities Director, upon her arrival to the school, she found that the binders in the Activities Office (where the documentation should have been filed) were empty.

## **RECOMMENDATIONS**

We performed a limited review of current fundraisers and although controls over fundraisers appeared to have been implemented and observed under the current school administration, given the discrepancies identified during the audit period, we recommend that:

- 8.1. At the beginning of each school year, the Principal should review fundraising procedures as prescribed in Section IV, Chapter 2 of the *Manual of Internal Fund Accounting* with faculty and staff, to ensure awareness and understanding of the requirements for conducting and documenting fundraising activities, and for the preparation of documentation supporting the collection of funds.**
- 8.2. The Principal should also assign an assistant principal to oversee the internal funds' financial activity and the fundraisers; and should periodically meet with the designee and the Treasurer to ensure that the timeliness for the collection of funds, the completeness of the supporting documentation and the safeguarding of the records is being observed.**
- 8.3. The Treasurer should be directed to review the documentation supporting the collections that is customarily turned in by faculty/activity sponsors; and should be directed to alert the Principal/designee of any sponsor who fails to observe procedure.**
- 8.4. The Principal should ensure that fundraising documentation is properly safeguarded for audit purposes.**

**Person(s) Responsible:**

**Principal,  
Vice Principal, Assistant Principal,  
Activities Director and Treasurer**

**Management Response:**

The Principal will hold a meeting on Friday, August 18, 2017 with all faculty members and club sponsors to review Section IV, Chapter 2 of the Manual of Internal Fund Accounting with the faculty and staff to ensure awareness and understanding of the requirements for conducting, documenting, fundraising activities, and for the preparation of documentation supporting the collection of funds. An Activities handbook will be provided detailing all procedures discussed. All staff will sign acknowledging receipt of their attendance at the meeting and receipt of the handbook.

The Principal will assign the Vice Principal to oversee the internal funds' financial activity and the fundraisers. A thorough review of each fundraiser will be conducted by the Vice Principal to determine that each fundraiser is properly documented and signed off on, the fundraiser has been closed on time and that the operating report has been submitted. If anything is missing, an email will be sent immediately to the Sponsor requesting that the missing information and/or report is submitted immediately so that the fundraiser is closed properly and in a timely manner. The Principal will meet every two weeks with the Vice Principal, the newly hired Activities Director and the Treasurer to review the fundraising binder. Specifically, with regards to the bagel fundraiser, each month when the bagel bill is paid, the Sponsor will create and submit an operating report so that there is an accurate accounting of the financial standing of the fundraiser.

The Principal will meet with the Treasurer in July 2017 to detail the expectations for collections and the proper scrutiny of each collection. The Treasurer will report discrepancies with respect to collections immediately so that the issue is rectified with that Sponsor.

The Treasurer will keep all original fundraising documents in a binder in her office. This fundraiser binder will be readily available for review. Once a fundraiser is approved and signed off on by the Sponsor, Activities Director and the Principal, a copy will be scanned and emailed to the Sponsor and Activities Director by the Treasurer to serve as their copy. All originals will remain with the Treasurer.

**Person(s) Responsible:**

**South Region Office Administration**

**Management Response:**

The South Region Center Financial/Business Operations Director instructed the Principal to review Section IV, Chapter 2 of the Manual of Internal Fund Accounting. The Financial/Business Director instructed the Principal to develop a system for reviewing and monitoring fundraisers.

Additionally, the affected school Principal will be required to participate in the District's Money DOES Matter Support Program during the 2017-2018 school year.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 45 of this report and page 104 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Robert Morgan Educational Center (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, on the cash basis of accounting, 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*;
- provide assurances regarding compliance with *current payroll procedures*, as well as compliance with *current Purchasing Card Program procedures*; and with *certain current information technology controls*;
- 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;
- 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), information technology controls included current periods in 2016-2017. The scope of the payroll, Title I Program and Purchasing Card Program audits were the 2015-2016 and/or 2016-2017 fiscal years, depending on the conditions identified at the individual school/center. FTE audits covered the 2016-2017 fiscal year Survey Period 2 (October 2016) or 2016-2017 fiscal year Survey Period 3 (February 2017), depending on the individual school/center audited.

Our procedures were as follows:

- reviewed written School Board policies and procedures;
- 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 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.*

## **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.

## 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.

## 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 Region Offices within School Operations, under the overall direction of the Department of Title I Administration.

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

**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.

funded educational programs by a cost factor to obtain weighted FTEs.

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 2016-2017 fiscal year, months selected by the FDOE for these surveys are as follows:

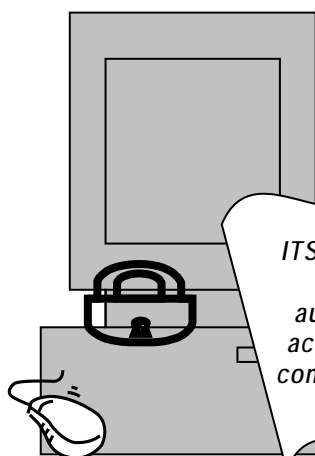
Survey Period No.	Time Period of Survey
1	July (Summer School only)
2	October
3	February
4	June (Summer School only)

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.

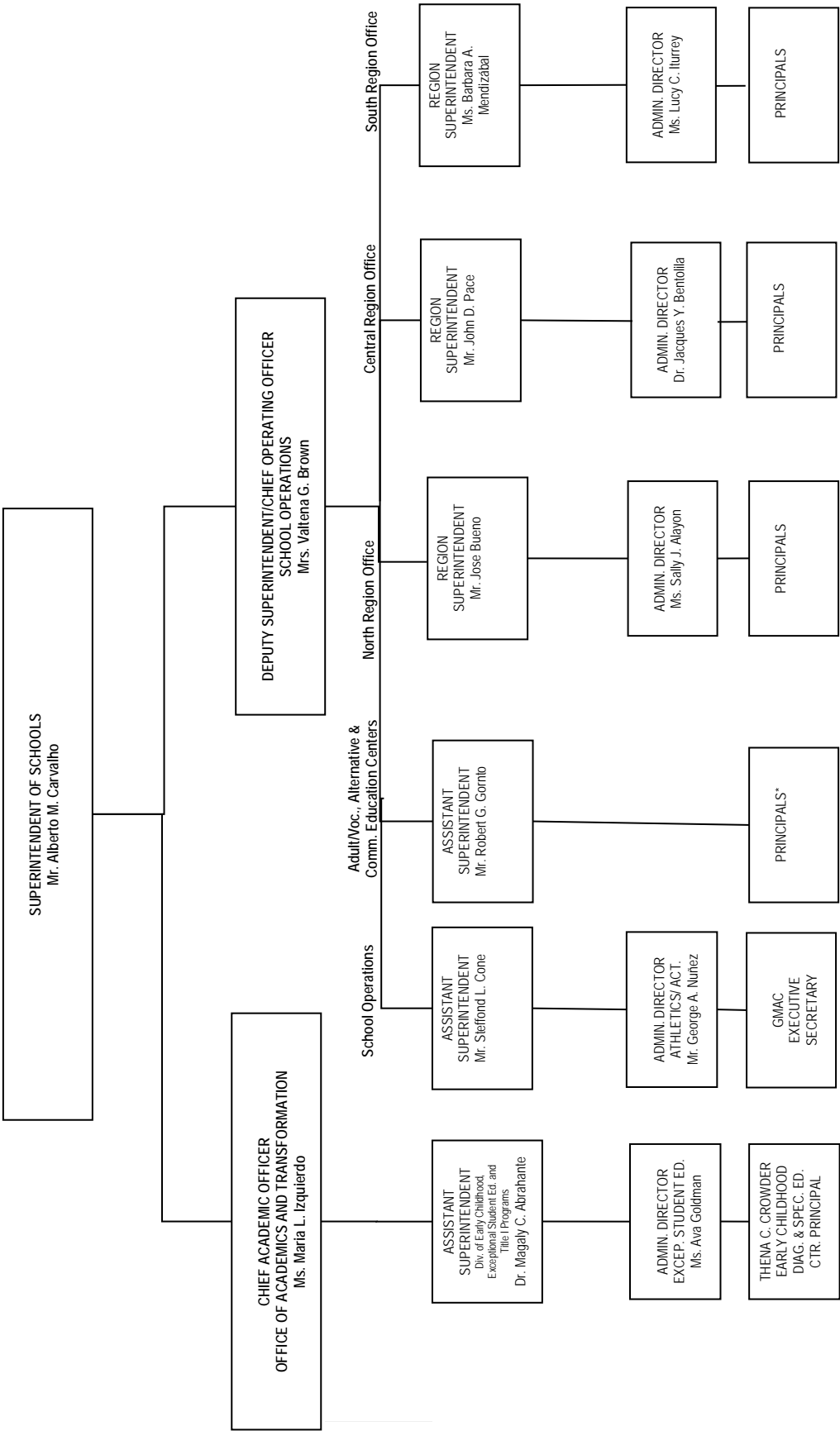
## DATA SECURITY MANAGEMENT REPORT



*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)



\*Includes Systemwide Business and Industry Services Center.






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

**MEMORANDUM**

June 22, 2017

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

**FROM:** Maria Medina, Principal  
Carol City Middle School 

**SUBJECT:** **ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT REPORT OF CAROL CITY MIDDLE SCHOOL FOR FISCAL YEAR JULY 1, 2015 – JUNE 20, 2016**

The following is a response to the findings of the Audit Report for Carol City Middle School for the fiscal year July 1, 2015 – June 30, 2016.

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

**FINDINGS**

- 1. Disbursements Not Appropriate or Not Compliant With Disbursement Guidelines**

**RECOMMENDATION**

- 1.1 The new school administration should discuss the Fund-9 and Special Purpose guidelines with the new Treasurer to ensure full understanding of those disbursements that are allowable/not allowable to be charged to the accounts.**
- 1.2 The new school administration should discuss the disbursement documentation requirements with appropriate staff to ensure that: 1) written vendor quotations, including one from a certified minority are obtained and filed for individual purchases of \$1,000 or more, and the lowest is selected; 2) invoices are signed to indicated acknowledgement of receipt of goods/services; 3) an original invoice is obtained before disbursements procedures are initiated.**
- 1.3 The new school administration should direct the new Treasurer to ensure that the account has available funds before initiating expenditure and issuing a check.**
- 1.4 Periodically, the current school administration should review the internal funds documentation to ensure that it is maintained according to the guidelines. Any non-compliance noted during these periodic reviews should be addressed immediately.**

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

**Management Response:**

The newly appointed Principal met with the new Part-Time Treasurer and the Assistant Principal to review the Manual of Internal Fund Accounting as it relates to Internal Accounts including and not limited to, Fund 9 and Special Purpose guidelines to ensure that proper procedures are followed for disbursements that are allowable/not allowable to be charged to this account.

The Principal met with the Part-Time Treasurer and the Assistant Principal to review documentation requirements with regards to purchases, vendor selections (including one from a certified minority business for purchases of \$1,000.00 or more and the lowest bid selected) and that invoices are signed/acknowledgement of receipt of all goods ordered. Additionally, all club sponsors will be provided with an Activities and Athletic Manual for review and discussion with administration in August 2017 as part of the opening of school procedures.

The Principal has instructed the part-time Treasurer to ensure accounts have funds available before initiating an expenditure or issuing a check. The Principal and the part-time Treasurer will meet to review documents on a weekly basis prior to signature by the Principal to ensure that funds are available and that the process of purchases are completed accurately, and prior to payment, goods have been received.

On a regular basis, the Principal, Assistant Principal and part-time Treasurer will meet to ensure that internal funds documentation is maintained per guidelines and any discrepancies are addressed immediately.


Additionally, the Principal and part-time Treasurer will meet on a regular basis with the District's Business Manager to provide added support.

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

## MEMORANDUM

June 19, 2017

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

**FROM:** Patrick Lacouty, Principal   
North Miami Middle School

**SUBJECT:** ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF NORTH  
MIAMI MIDDLE SCHOOL FOR THE 2015- 2016 SCHOOL FISCAL YEAR

This following is a response to the findings of the Audit Report for North Miami Middle School for the fiscal year July 1, 2015 – June 30, 2016.

The audit findings have 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 ensure that strict compliance is maintained with School Board policies and procedures.

### FINDINGS

1. Review of the Bookkeeping Function Disclosed Account Deficits, Incomplete Documentation and Posting/Deposit Delays

### RECOMMENDATIONS

- 1.1 To prevent negative bank balances, the school should frequently monitor bank balances and transfer funds from the money market account when needed.
- 1.2 To prevent deficit balances in the individual accounts, the school administration should ensure that the account has sufficient funds before approving any expenditures and before signing any checks.
- 1.3 School staff and administration should review receipting/depositing procedures for understanding and awareness of the requirements. This includes the basic procedures for documenting the collections and for preparing and documenting the deposit packages.
- 1.4 The school administration should implement proper utilization of the collections/Deposits Log [FM-7629] to account for any collections held overnight.
- 1.5 Periodically, the school administration should review the internal funds records to ensure that the Treasurer is keeping up with the recordkeeping requirements and the timelines of posting depositing of collections.

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

**Management Response:**

The Principal has reviewed Section III, Chapter 1 of the Manual of Internal Fund Accounting with the Treasurer and the Assistant Principal to ensure an understanding of the procedures to prevent ending the fiscal year with a negative balance in the Trusts, Class, and Club Program accounts.

The Principal has schedule bi-weekly meetings with the Treasurer to review bank balances and transfer funds from the money market account when needed. The review will also ensure that accounts have sufficient funds before approving any expenditure and before signing any checks to prevent deficit balances in the individual accounts. The Principal has also reviewed with the Treasurer the financial records for the current year in regards to the oversight of account balances, documentations, and timelines involving the collections of funds.

The Principal has reviewed the policies and procedures with the Assistant Principal and the Treasurer regarding safeguarding funds and the importance of monitoring Collection/Deposit Logs accurately. A copy of Weekly Briefing No. 5164 and the Collections/Deposit Log [FM-7249] was reviewed with the appropriate staff to ensure that there is an understanding and awareness of the requirements for any collections held overnight.

The Principal has reviewed Section II, Chapter 2 and 3 of the Manual of Internal Fund Accounting and has established monthly reviews of internal fund records with the Treasurer to include timelines of posting depositing of collections and recordkeeping requirements.

The Principal and the Treasurer will attend the District's Money Does Matter Support Program and communicate on a regular basis with the District's Business Manager for additional support.

**FINDINGS**

**2. Controls Over Disbursements Not Always Observed**

**RECOMMENDATIONS**

- 2.1 Regarding the matter of the written quotations, the school administration should direct staff to solicit quotations, including one from a certified minority as required by the guidelines; and should ensure that the lowest quotation is selected. Split purchases are strictly prohibited.**
- 2.2 The school administration should discuss the Fund 9 guidelines with the current Treasurer to ensure that replenishments are processed in a timely basis and only those disbursements allowable by the guidelines are posted to the account.**
- 2.3 The school administration should review the internal funds documentation to ensure that the documentation is maintained per the guidelines. Any non-compliance noted during these periodic reviews should be addressed immediately.**

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

**Management Response:**

The Principal has reviewed School Board Policy 6320.02 Minority/Women Business Enterprise Certification Procedures with the Treasurer and the Assistant Principal to ensure a greater understanding of this policy. In addition, the Principal will review with staff the procedures for soliciting quotations, including one from a certified minority as required by guidelines and will ensure that the lowest quotation is selected. Furthermore, the Principal has reviewed with the Treasurer that split purchases are strictly prohibited.

The Principal has reviewed Chapter II Section 6 and Section III, Chapter 9 of the Manual of Internal Fund Accounting with the Treasurer in regards to Fund 9 guidelines to ensure an understanding of timely replenishment processing and that only disbursements allowable by guidelines are posted to the account. Additionally, the Principal will review the internal funds accounts on a monthly basis with the Treasurer to ensure guidelines are followed.

The Principal will continue to meet with the Treasurer and Assistant Principal to review internal funds documentation to ensure recordkeeping is accurate and maintained according to guidelines. Any discrepancies will be corrected immediately.

cc: Sally J. Alayon  
Cynthia Gracia

**MEMORANDUM**

**June 20, 2017**

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

**FROM:** John Donohue, Principal  
Miami Beach Senior High

**SUBJECT: ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT REPORT OF  
MIAMI BEACH SENIOR HIGH SCHOOL FOR 2016-2017**

The following is a response to the findings of the Audit Report for Miami Beach Senior High School for the fiscal year July 1, 2016 – June 30, 2017.

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. **Insufficient controls over capitalized property inventory resulted in loss of equipment and the reporting of "Unlocated" items.**

**RECOMMENDATIONS**

- 1.1 **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.**
- 1.2 **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.**
- 1.3 **The monitoring and accounting property should be strengthened by conducting in-house property inventories periodically to identify discrepancies and resolve them in a timely manner.**
- 1.4 **The school administration should discuss with staff responsible for overseeing the inventory the requirements for documenting the disposal or transfer of equipment to another location and the requirements and use of the proper forms.**

**Person(s) Responsible:** Principal, Assistant Principal, Head Custodian, Department Chairs, IT Technician, AV Technician, and all teachers

**Management Response:**

The Principal has made numerous changes in the property control monitoring procedures for the 2017-2018 school year. Additionally, the Principal has met with the newly assigned Assistant Principal who will assist with property control inventory to review the importance of monitoring and following established procedures for safeguarding property assets. In addition, at the opening of school's meeting, all instructional and non-instructional staff will be provided procedures for property control management and a schedule to monitor property assets on a regular basis.

In addition, an internal form with property control items located in each staff member's specific work area(s) has been developed to facilitate monthly in-house property inventories. Each staff member with items on the property control inventory in their specific work area will be responsible for ensuring that the items are accounted for monthly.

On a quarterly base, the Assistant Principal will review and update the inventories to ensure that all items are accounted for and are in the appropriate area to prevent the potential loss of items. Any items on the property inventory noted missing will be reported immediately to school police and a Plant Security Report will be completed. Additionally, a file will be kept by the Assistant Principals of any property that has been removed from the school site on the appropriate documents such as Outgoing Controlled Equipment, Student Obligation or Offsite Use of School Board Property forms.

After each of these quarterly in-house property inventories the Principal will meet with the Assistant Principal to review all findings and follow up as necessary.

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



**MEMORANDUM**

June 23, 2017

**TO:** Mr. John Pace, Central Region Superintendent  
Central Region Office

**FROM:** Dr. Yvonne Perry, Principal  
Holmes Elementary School



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

This memo is written in response to the Internal Audit, Title I Audit and Payroll Audit Reports of Holmes Elementary School for the 2015-2016 fiscal year. The recommendations in the audit report are as follows:

**RECOMMENDATIONS**

- 1.1. Review with staff the proper sign-in payroll procedures to ensure awareness, understanding and compliance with the procedures.
- 1.2. Discuss with the Payroll Clerk the guidelines in the Payroll Processing Procedure manual to ensure the awareness and understanding of the procedures for recording, reporting and filing payroll records, including the leave cards and payroll corrections.
- 1.3. Strengthen the overall review of payroll to ensure the accuracy, completeness and propriety of the payroll reported by assigning an administrator to oversee payroll.
- 1.4. Direct the administrator to periodically review the sign in sheets of full-time and part-time employees to ensure that employees are documenting their attendance (full-time) or signing in/out (part-time) in a timely manner.
- 1.5. Meet with the administrator before the final approving of payroll to ensure that records were reviewed and all discrepancies were resolved prior to final reporting.

**RESPONSIBLE PERSON(S):** Principal, Assistant Principal, Payroll Clerk

**MANAGEMENT RESPONSE:**

Proper sign-in payroll procedures will be reviewed with the staff during the Opening of Schools Faculty Meeting to be held on August 17, 2017 to ensure awareness, understanding and compliance with all payroll procedures. Emphasis will be placed on

signing in upon arrival daily, and *not* signing in and out ahead of scheduled time. This information will also be reviewed with all hourly employees during their opening of school meeting, or upon their hire during and throughout the school year.

The Payroll Processing Procedure Manual will be reviewed with the Payroll Clerk and Assistant Principal to ensure understanding and compliance with all payroll procedures. A log will be kept of assigned chapters, and dates that assigned chapters are reviewed. Special attention will be reserved for appropriate procedures concerning leave cards and correct notations on timesheets for recording leave, in addition to correct procedures for recording temporary substitutes assignments and time worked. This task will be completed by August 1, 2017.

The Assistant Principal will assist with monitoring sign-in procedures for both the full-time and part-time payroll sign-in sheets to ensure employees are documenting their time accurately and in a timely manner. To strengthen the review process, the Assistant Principal will oversee the completion of the payroll before it is presented to the Principal for review to ensure accuracy and completeness.

The Principal will meet with the payroll clerk before the final approval to review and correct errors and discrepancies.

#### **RECOMMENDATIONS**

- 2.1 The school administration should discuss the Purchasing Card guidelines and requirements with faculty and staff for awareness and understanding of the requirements; and should strengthen review over P-Card disbursements.**
- 2.2 The school administration should ensure that a properly completed and signed Purchase Authorization Form [FM-5707] is included in the file for each P-Card purchase.**
- 2.3 The school administration should ensure that invoices are obtained to document/support all purchases. In addition, they must be signed to indicate acknowledgement of receipts of goods/services.**
- 2.4 Regarding Title I Program purchases, the school administration should ensure that staff maintains a Title I filing system that includes all support and justification for the Title I Program purchases.**

**RESPONSIBLE PERSON(S):** Principal, Assistant Principal, Secretary/Treasurer, Community Involvement Specialist (CIS)

#### **MANAGEMENT RESPONSE:**

The Principal will review the Purchasing Card Program Policies and Procedures Manual with the Secretary/Treasurer and Assistant Principal to ensure awareness and

understanding and compliance of the requirements. A log will be kept of the timeline utilized to review the sections of the manual. To strengthen review over the P-Card disbursements, the P-Card will not be used unless approved by the Principal as verified by the signature on the Purchase Authorization Form [FM-5707]. This authorization form will be included with the monthly P-Card documentation packet for the Principal to review to ensure the procedures are being adhered to.

The Principal and the Secretary/Treasurer will ensure that invoices are secured for all purchases and that the invoices acknowledge goods/services received before the Principal signs/approves any documents. The acknowledgement of receipt of goods/services must be documented prior to any final payments are made on purchases.


The Principal, Assistant Principal, Community Involvement Specialist (CIS) and Secretary/Treasurer will ensure that support and justification for all Title I Program purchases be maintained in the Title I filing system. Once purchases are approved, documentation will be placed in the file.

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

**MEMORANDUM**

**June 26, 2017**

**TO:** Ms. Barbara A. Mendizábal, Region Superintendent  
South Region Office

**FROM:** Humberto J. Miret, Principal   
Miami Southridge Senior High School

**SUBJECT:** ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT REPORT OF MIAMI  
SOUTHRIDGE SENIOR HIGH FOR THE 2015-2016 FISCAL YEAR AND 2016-2017  
FTE SURVEY PERIOD 2

The following is a response to the audit finding for Miami Southridge Senior High School Audit Report for the 2015-2016 Fiscal Year July 1, 2015 through June 30, 2016 and the 2016-2017 FTE survey period 2. The audit findings have been carefully reviewed by the Principal. The following corrective actions have been established to prevent recurrence.

**RECOMMENDATION**

1. To reduce the probability of potential losses in funding and other non-compliance issues regarding OJT criteria, the principal or administrative designee should discuss procedures with staff overseeing the OJT program and should ensure that the students enrolled in these courses are working the minimum average of 15 hours per week (within the grading period).

**Person Responsible:** Principal, Assistant Principal, Registrar and OJT Staff

**Management Response:**

To ensure compliance with the OJT criteria, the Principal will assign a different Instructor for the course for the 2017-2018 school year. The Principal will contact the CTE office to ensure that the newly identified Instructor receives proper training regarding the procedures of the OJT program. Furthermore, the Principal has assigned an Assistant Principal to oversee the program. In addition, prior to the opening of the school year, the Principal will meet with the Assistant Principal, the Instructor, and the Registrar to ensure that all staff are aware of the program requirements related to the minimum average of work hours per week, within the grading period.

The Assistant Principal will meet with OJT staff periodically to review the status of the students enrolled in the course. The week prior to FTE Survey Week, the Principal will meet with the OJT staff and review the schedules, the Job Training Attendance Records (FM-5248) of each of the students enrolled in the class, and the FTE Class Membership Report for the course. Any necessary changes will be effected by the Registrar for any student who does not meet the minimum requirements of the course. The Registrar and the Principal will attend the mandatory FTE workshop provided by the District.


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

**cc:** Ms. Cynthia Gracia  
Ms. Lucy C. Iturrey

**MEMORANDUM**

June 26, 2017

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

**FROM:** Reginald J. Fox, Principal   
Robert Morgan Educational Center #7371

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

The following is a response to the audit findings for Robert Morgan Educational Center 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.

- 1.1 **At the beginning of each school year, the Principal should review fundraising procedures as prescribed in Section IV, Chapter 2 of the *Manual of Internal Fund Accounting* with faculty and staff, to ensure awareness and understanding of the requirements for conducting and documenting fundraising activities, and for the preparation of documentation supporting the collection of funds.**
- 1.2 **The Principal should also assign an assistant principal to oversee the internal funds' financial activity and the fundraisers; and should periodically meet with the designee and the Treasurer to ensure that the timelines for the collection of funds, the completeness of the supporting documentation and the safeguarding of the records is being observed.**
- 1.3 **The Treasurer should be directed to review the documentation supporting the collections that is customarily turned in by faculty/activity sponsors; and should be directed to alert the Principal/designee of any sponsor who fails to observe procedure.**
- 1.4 **The Principal should ensure that fundraising documentation is properly safeguarded for audit purposes.**

**Person(s) Responsible:** Principal, Vice Principal, Assistant Principal, Activities Director and Treasurer.

**Management Response:**

The Principal will hold a meeting on Friday, August 18, 2017 with all faculty members and club sponsors to review Section IV, Chapter 2 of the *Manual of Internal Fund Accounting*

with the faculty and staff to ensure awareness and understanding of the requirements for conducting, documenting, fundraising activities, and for the preparation of documentation supporting the collection of funds. An Activities handbook will be provided detailing all procedures discussed. All staff will sign acknowledging receipt of their attendance at the meeting and receipt of the handbook.

The Principal will assign the Vice Principal to oversee the internal funds' financial activity and the fundraisers. A thorough review of each fundraiser will be conducted by the Vice Principal to determine that each fundraiser is properly documented and signed off on, the fundraiser has been closed on time and that the operating report has been submitted. If anything is missing, an email will be sent immediately to the Sponsor requesting that the missing information and/or report is submitted immediately so that the fundraiser is closed properly and in a timely manner. The Principal will meet every two weeks with the Vice Principal, the newly hired Activities Director and the Treasurer to review the fundraising binder. Specifically, with regards to the bagel fundraiser, each month when the bagel bill is paid, the Sponsor will create and submit an operating report so that there is an accurate accounting of the financial standing of the fundraiser.

The Principal will meet with the Treasurer in July 2017 to detail the expectations for collections and the proper scrutiny of each collection. The Treasurer will report discrepancies with respect to collections immediately so that the issue is rectified with that Sponsor.

The Treasurer will keep all original fundraising documents in a binder in her office. This fundraiser binder will be readily available for review. Once a fundraiser is approved and signed off on by the Sponsor, Activities Director and the Principal, a copy will be scanned and emailed to the Sponsor and Activities Director by the Treasurer to serve as their copy. All originals will remain with the Treasurer.

For further information regarding this response, please contact me at (305) 253-9080.

Cc: Ms. Cynthia Gracia  
Ms. Lucy Iturrey



**MEMORANDUM**

June 21, 2017  
JB# 220/2016-2017  
(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 2015-2016 fiscal years for Carol City Middle, North Miami Middle and Miami Beach Senior High. The North Region Office has reviewed the exceptions cited. The following support activities will be implemented at the Region level.

**Carol City Middle**

**1. Disbursements Not Appropriate or Not Compliant With Disbursement Guidelines**

The North Region Office Financial Human Capital Director and the new Principal established a plan for the Principal and the new Part-Time Treasurer to implement and monitor with the Assistant Principal to ensure that disbursements are made following guidelines. Additionally, the Principal will thoroughly review the Manual of Internal Fund Accounting with the Assistant Principal and Treasurer.

The Principal was instructed to review Fund-9 and Special Purpose guidelines with the Part-Time Treasurer as well as review the procedures for obtaining written vendor quotations including one from a certified minority for purchases of \$1,000 or more. Also, the Principal was instructed to continue to schedule Internal Funds training sessions with the Business Manager and attend District trainings to in turn strengthen the procedures for disbursements.

The Principal was instructed to meet bi-weekly with the Part-Time Treasurer to strengthen the organization of the school's financial records. They will review all records for accuracy, resolve discrepancies in a timely manner and seek additional assistance if needed. Additionally, the North Region Office Financial Human Capital Director is working with the Principal to actively recruit a Full-Time Treasurer to hire for the new school year.

Lastly, the North Region Office Financial Human Capital Director contacted the former principal (who resides out of the country). The former principal indicated that she would send a check made payable to Carol City Middle School for their special purpose account as a reimbursement.

### **North Miami Middle**

#### **1. Review of the Bookkeeping Function Disclosed Account Deficits, Incomplete Documentation and Posting/Deposit Delays**

The North Region Office Financial Human Capital Director and the Principal established a plan for the Principal to implement and monitor with the Treasurer and Assistant Principal to ensure that bookkeeping functions follow procedure and that controls are established to ensure disbursements are made following guidelines. The Principal will thoroughly review the Manual of Internal Fund Accounting with the Treasurer and Assistant Principal.

The Principal was instructed to review bank balances, receipting/depositing procedures and the proper utilization of the Collections/Deposit Logs. Additionally, the Principal was instructed to schedule Internal Funds training sessions for the Treasurer with the Business Manager and attend District trainings to strengthen bookkeeping controls.

The Principal was instructed to meet bi-weekly with the Treasurer to strengthen the organization of the school's bookkeeping records. He will review all records for accuracy and resolve any discrepancies in a timely manner.

#### **2. Controls Over Disbursements Not Always Observed**

The North Region Office Financial Human Capital Director and the Principal established a plan for the Principal to implement and monitor with the Treasurer and Assistant Principal to ensure that proper procedures for making and documenting disbursements are followed according to guidelines. The Principal will thoroughly review the Manual of Internal Fund Accounting with the Treasurer and Assistant Principal.

The Principal was instructed to meet with the Treasurer and Assistant Principal on a bi-weekly basis to ensure they solicit quotations, including one from a certified minority as required by guidelines, that they solicit the lowest quotation and that purchases are not split. Also, the Principal was instructed to review the Fund 9 guidelines to ensure replenishments are processed timely and that only disbursements allowable by guidelines are posted to the account.

Additionally, the Principal will review the internal funds documentation on a regular basis to ensure documentation is properly maintained. The Principal will review all records for accuracy and resolve any discrepancies in a timely manner.

### **Miami Beach Senior High**

#### **1, Insufficient Controls Over Capitalized Property Inventory Resulted in Loss of Equipment and the Reporting of "Unlocated" Items**

The North Region Office Financial Human Capital Director and the Principal established an action plan for the Principal to implement and monitor with the Assistant Principal to ensure the safeguarding of assets and the management of property. The Principal will



thoroughly review the Manual of Property Control Procedures with the Assistant Principal.

The Principal was instructed to review with all faculty and staff their responsibility as it relates to procedures for maintaining control over property and to complete the North Region Office mandated "In-House Property Reviews" with fidelity, three times a year, and to address discrepancies in a timely manner and complete a Plant Security Report immediately upon discovery of any missing property.

The Principal was instructed to follow procedures utilizing the proper forms for documenting the disposal or transfer of equipment to another location. Additionally, 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.

Lastly, all effected Principals have been instructed to attend School Operations' Money Does Matter Support Program sessions for the 2017-2018 school year and include specific fiscal management job targets on their Performance Plan and Assessment System Planning Form and provide progress points/evidence of progress to improve Business and Professional Standards for effectiveness and efficiency.

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


JB/SA/IM

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

**MEMORANDUM**

June 23, 2017  
JP/#094/2016-17

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

**FROM:** John D. Pace, Region Superintendent  
Central Region Office 

**SUBJECT: CENTRAL REGION OFFICE RESPONSE TO INTERNAL REPORT FOR HOLMES ELEMENTARY**

Please find attached the responses to the audit findings for Holmes Elementary. The Central Region Office has reviewed the exceptions cited. The following support activities will be implemented at the Region level.

**1. Incomplete and Disorganized Payroll Records Under Tenure of Former Treasurer Led to Discrepancies and Current Sign-In Payroll Procedures Need Improvement**

The Financial/Business Director instructed the Principal to meet with staff to review the district guidelines, specifically how they relate to maintaining payroll records. The Payroll Clerk (Treasurer), Assistant Principal and Principal will review the payroll as well as conduct periodic reviews of payroll procedures to ensure accuracy.

**2. P-Card Disbursement Documentation (including Title I Program Purchases) Not Properly Completed or Filed Resulted in Discrepancies**

The Financial/Business Operations Director instructed the Principal to develop a procedure that will be followed that denotes the proper steps in the P-Card and disbursement process. The procedures will have the administrator overseeing the internal funds part of the checks and balances to ensure all the proper documentation is provided when purchasing from the P-Card with special attention to justifying and documenting purchases made with Title I funds.

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

- The affected Principal 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 Principal to attend 2017-2018 Money DOES Matter Support Program.

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

JP/JB/rad

cc: Dr. Jacques Bentolila  
Ms. Cynthia Gracia

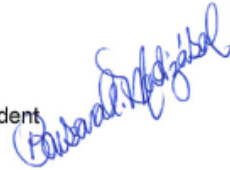
**MEMORANDUM**

June 26, 2016

**TO:** Ms. Valtena G. Brown, Deputy Superintendent  
District/School Operations

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

**SUBJECT:** **RESPONSES TO AUDIT FINDINGS OF MIAMI SOUTHRIDGE SENIOR HIGH  
AND ROBERT MORGAN EDUCATIONAL CENTER**



Please find attached the response to the audit findings for the 2016-17 FTE Survey 2 of Miami Southridge Senior High and 2014-2015 and 2015 -2016 fiscal years for Robert Morgan Educational Center. The South Region Office has reviewed the exceptions cited. The following support activities will be implemented at the Region level.

**Miami Southridge Senior High**

**1. School Non-Compliant With Full-Time Equivalent FTE Records and Procedures Resulted in Potential FTE Fundraising Disallowances in On-the-Job Training Records**

The South Region Office Financial/Business Operations Director instructed the Principal to become familiar with the procedures for scheduling students in cooperative education courses. The South Region Office Financial/Business Operations Director contacted District staff to assist the Principal in securing training for the newly assigned Instructor of the course.

The Financial/Business Operations Director directed the Principal to develop a system for the monitoring of the records related to the On-the-Job (OJT) training program.

**Robert Morgan Educational Center**

**1. Mismanaged Fundraisers Resulted in Monetary Losses, Overspending, And Incomplete Fundraising Records**

The South Region Center Financial/Business Operations Director instructed the Principal to review Section IV, Chapter 2 of the Manual of Internal Fund Accounting. The Financial/Business Director instructed the Principal to develop a system for reviewing and monitoring fundraisers.

Additionally, the affected school Principal will be required to participate in the District's Money DOES Matter Support Program during the 2017-2018 school year.

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

BM/lg  
M68

cc: Ms. Cynthia Gracia  
Ms. Lucy Iturrey

**MEMORANDUM**

June 29, 2017

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

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

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

School Operations has reviewed the audit findings cited in the 2015-2016 and 2016-2017 fiscal year audit reports of the following schools reporting to the North, Central and South Region Office: Carol City Middle; North Miami Middle; Miami Beach Senior High; Holmes Elementary; Southridge Senior High and Robert Morgan Educational and Technical College. The following preventive actions will be taken through School Operations:

- Monthly, the Districts School Operations Administrative Director will meet with the Region Office Financial/Business Operations Director to review, discuss and identify strategies to implement at effected schools to ensure that adequate controls over collections and disbursements with Internal Funds, P-card, Payroll and OJT – guidelines are adhered to at the school sites.
- School Operations will facilitate and coordinate with the Department of Career and Technical Education a review of Job Training Attendance Records (FM-5248) for the OJT program at the high schools during the first and second semester, prior to FTE Survey week. Additionally, a Weekly Briefing will be sent to all high schools with OJT programs outlining the established procedures for collecting OJT attendance records, timelines and documentation requirements per grading period.
- Continue to work collaboratively with the Region Offices to facilitate and coordinate Fiscal Review Teams of Principals that will conduct on site reviews to further support schools with fiscal and organizational practices
- Coordinate and provide information to school site administrators and staff on best business practices, including related financial areas of concern through the Money DOES Matter Support Program and the Money DOES Matter Support Program Publication.

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

VGB:cg  
M136

cc Region Superintendent  
Ms. Cynthia Gracia  
Region Director

## 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  
JUNE 2017***

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