

# MIAMI-DADE COUNTY PUBLIC SCHOOLS



## Internal Audit Report



## Selected Schools



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

December 2008

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

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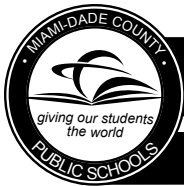
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# **Miami-Dade County Public Schools**

***giving our students the world***

**Superintendent of Schools**  
Alberto M. Carvalho

**Miami-Dade County School Board**

*Dr. Solomon C. Stinson, Chair*  
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*Dr. Martin Karp*  
*Ana Rivas Logan*

November 19, 2008

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

Ladies and Gentlemen:

This report includes the audit results of 43 schools from the four Regional Centers. Of the 43 schools, 41 were audited as a result of a change of principal. One school is new and audit results are being reported for the first time. For the other school, we are reporting the results of the FTE audit that was conducted during the summer. The audit period for the schools included herein is one year ended June 30, 2008.

The main objectives of these audits were to express an opinion on the financial statements of the schools, evaluate compliance with District policies and procedures, and ensure that assets are properly safeguarded. The audits included a review of internal funds and payroll records at all the schools. On a selected basis, we reviewed credit card purchases, Title I Program procedures, FTE reporting and student records, and school site IT controls. Property results for most of these schools and for schools previously reported in September are included as well.

Our audits disclosed that the financial statements of the schools and centers reported herein were fairly stated. At 38 of the 43 schools, we found general compliance with prescribed policies and procedures and site records were maintained in good order. However, at five schools, the fiscal management and oversight over certain programs/functions needs improvement.

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

Sincerely,

Allen M. Vann, CPA  
Chief Auditor  
Office of Management and Compliance Audits

AMV:mtg



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## **At-A-Glance Audit Results**

- ◆ **41 of 43  
Schools  
Reviewed As A  
Result Of  
Change Of  
Principal**
- ◆ **One School Is  
Reporting First-  
Year Audit  
Results; While  
Another Is  
Reporting  
Results Of FTE  
Audit  
Conducted  
During Summer**
- ◆ **38 Of 43  
Schools Were  
In Compliance**
- ◆ **Five Schools  
With Audit  
Exceptions In  
Various Areas.**

## **EXECUTIVE SUMMARY**

The Office of Management and Compliance Audits has completed the audits of 43 schools from various regional centers. At 41 of the 43 schools, there was a change of principal since the prior audit. We have included South Dade Middle School since this is a new school and this was their first audit. We have also included the audit results of Everglades K-8 Center, whose FTE audit was completed during the late part of the summer. The audit period for all 43 schools was the fiscal year ended June 30, 2008.

The audits disclosed that records were maintained in good order and in accordance with prescribed policies and procedures at 38 of the 43 schools reported herein. The five schools with reported audit findings are:

1. Everglades K-8 Center
2. North Twin Lakes Elementary
3. John F. Kennedy Middle
4. Hialeah Senior
5. Miami Central Senior

Audit findings pertain to selected aspects of internal funds, payroll, property, Title I program procedures, FTE reporting and records, and school site IT security. Refer to Summary Schedule of Audit Findings on pages 17-18.

Notwithstanding the conditions and findings reported herein, at all 43 schools, the financial statements present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2007-08 fiscal year, on the cash basis of accounting.

As of June 30, 2008, for all 43 schools reported herein, total combined receipts and disbursements amounted to \$8,046,323 and \$8,188,323 respectively; while total combined cash and investments amounted to \$2,743,162.

As of June 30, 2008, the internal control structure at the schools generally functioned as designed by the District and implemented by the school administration, except for those conditions reported at the aforementioned school.

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

## **INTERNAL FUNDS**

Of 43 schools, 42 were in compliance with the procedures established in the *Manual of Internal Fund Accounting*.

At Hialeah Senior, during the month of February 2008, the school's Treasurer accidentally deposited 18 Internal Funds deposits totaling \$76,078 into the school's food service bank account. As a result, the school's Internal Funds checking account was overdrawn \$(3,575); and overdraft charges totaling \$560 were incurred. After the February 2008 month-closing, the school discovered the error, and the bank transferred the funds into the Internal Funds checking account. However, the bank would not credit the school for the overdraft charges.

## **At-A-Glance Audit Results**

- ◆ During FY2007-08, 43 Schools Receipted And Disbursed \$8.05M And \$8.20M; Respectively
- ◆ As of June 30, 2008, \$2.74M In Cash And Investments
- ◆ At Hialeah Senior, \$76,078 Collected From Internal Funds Activities Deposited In The School's Food Service Bank Account By Mistake.

## At-A-Glance Audit Results

- ◆ Satisfactory Payroll Function At 42 Schools
- ◆ At Hialeah Senior, Discrepancies Related To The Recording Of Employees' Time And Attendance And Preparation Of Leave Cards
- ◆ Approximately \$38.7M In Property Inventories From Schools In This Report And From September's Report.

In addition, during our physical verification of official pre-numbered forms used by the school to receipt revenue collections, we found that \$50 cash collections receipted back in November 2007 remained attached to a receipt book. This book was under the custody of a teacher. The monies were deposited in the account and posted to the system at our request.

### PAYROLL

At 42 of the 43 schools, payroll rosters were adequately supported by Daily Payroll Attendance Sheets and leave cards as prescribed by the *Payroll Processing Procedures Manual*. Also, we found proper segregation of duties between the payroll preparation, authorization, and check distribution functions. At Hialeah Senior, most payroll discrepancies related to the recording of attendance of daily-paid employees and the preparation of leave cards were found in payrolls processed under the former school administration.

### PROPERTY

The results of physical inventories of property items with an individual cost of \$1,000 or more are reported for 36 of the 43 schools included herein. Those inventories pending publication will be reported at a later date.

We are also including the inventory results of 39 other schools whose property inventory results were pending publication since September 2008. Approximately \$38.7 million was inventoried at these 75 schools.

Property results indicated that 69 of the 75 schools were in compliance with the *Manual of Property Control Procedures*.

A total of 35 items with an acquisition cost of \$60,069 and a depreciated value of \$29,606 was reported “unlocated” at six schools. Of the six schools, Hialeah Senior and Miami Central Senior High Schools reported a total of 29 “unlocated” property items with a total cost of \$50,502 and a depreciated value of \$26,349. Consequently, both schools are being cited regarding property management deficiencies. Refer to pages 31-36 of the *Findings Section* of this report for the specific issues being cited.

For the past three years, property inventories at Miami Central Senior have been less than satisfactory. This year, a new principal was appointed to the school in August 2008, less than a month before this year’s inventory was conducted. At the present time, the school reports to the North Central Regional Center. Formerly, Miami Central Senior was a School Improvement Zone school.

Property losses reported through the Plant Security Report process showed 35 items at a cost of \$46,963 and a depreciated value of \$19,166 reported missing at 12 schools. Most losses related to computer equipment. Miami Central Senior’s losses reported through this process were also cited in the school’s audit report.

Refer to Property and Plant Security Schedules on pages 21-24 for a summary of results.

## **At-A-Glance Audit Results**

- ◆ **Miami Central and Hialeah Senior’s Property Inventories Disclosed Significant Losses This Year, Which Are Being Cited In Audit Report**
- ◆ **Miami Central Senior Has Reported “Unlocated” Property For The Past Three Consecutive Years**
- ◆ **Change Of Principal At Both Schools.**

## At-A-Glance Audit Results

- ◆ P-Card Program Procedures Reviewed At Nine Schools
- ◆ All Nine Schools Generally Compliant With P-Card Procedures
- ◆ Title I Program Reviewed At Two Schools
- ◆ Audit At North Twin Lakes Elementary Disclosed Over Spending For Hourly Payroll.

### PURCHASING CREDIT CARD (P-CARD)

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

- Avocado Elementary
- Banyan Elementary
- Campbell Drive Elementary
- Coconut Grove Elementary
- Frederick Douglass Elementary
- Martin L. King Elementary
- Phyllis Ruth Miller Elementary
- North Twin Lakes Elementary
- Miami Carol City Senior

Our review disclosed that the schools listed above generally complied with the *Purchasing Credit Card Program Policies & Procedures Manual*.

### TITLE I PROGRAM

A review of Title I Program expenditures and procedures was conducted at two schools:

School	Reg. Center	Title I Program Expenditures
North Twin Lakes Elementary	North	\$ 295,473
John F. Kennedy Middle	North	475,317
<b>Total</b>		<b>\$ 770,790</b>

For these two schools, total expenditures posted to the various Title I program accounts amounted to \$770,790. At North Twin Lakes Elementary School, we found that Title I Program hourly payroll account balances were not properly monitored and exceeded budgeted amounts.



At John F. Kennedy Middle, our review of computer equipment, peripherals and supplies purchased with Title I Program funds disclosed that, as of our audit visit, (which took place over six months after receipt of most of the equipment), 79 of the 113

printers purchased remained stored in closets in their original boxes; and printer toner in excessive quantities was also purchased. We also found that a computer and printer were located in the Magnet Office for administrative use, and four of the computers purchased had been stolen one month after receipt. Many of these computers and printers were not identified with Title I labels; and some of the equipment purchases had been erroneously charged to a Title I Program Supplies account. At both schools, there were inconsistencies regarding the level of parental involvement and records maintained by the Community Involvement Specialist.

### **FULL-TIME-EQUIVALENT (FTE) FUNDING**

The following three schools were selected for these audits:

<b>School</b>	<b>FTE Funding Reported</b>
Miami Park Elementary	\$ 1,103,203
Everglades K-8 Center	2,595,266
North Twin Lakes Elementary	1,509,713
<b>Total FTE Funding</b>	<b>\$ 5,208,182</b>

### **At-A-Glance Audit Results**

- ◆ **At John F. Kennedy Middle, Excessive Purchases Of Computer Equipment, Peripherals And Toner; Equipment Not Properly Utilized; Some Purchases Posted To Wrong Account. Also, Title I Equipment Not Properly Labeled; And Incomplete CIS Records**
- ◆ **Combined FTE Funding Of \$5.2 Million At Three Schools.**

## At-A-Glance Audit Results

- ◆ 2007-08,  
Survey  
Period 3  
Records  
Reviewed
- ◆ At North Twin  
Lakes,  
recordkeeping  
discrepancies  
in ELL records;  
At Everglades  
K-8 Center,  
errors found in  
SPED records
- ◆ Errors resulted  
in funding  
disallowances  
and potential  
losses of  
\$10,672 and  
\$7,531,  
respectively.

The total FTE funding amounted to approximately \$5.2 million for all three schools combined. FTE records corresponding to the 2007-08 fiscal year FTE Survey Period 3 (February 2008 FTE activity) were reviewed.

Miami Park Elementary was generally compliant with procedures. However, at Everglades K-8 Center and North Twin Lakes Elementary, we found FTE recordkeeping discrepancies. These related to Special Education and English Language Learners, respectively.

Based on our samples, the discrepancies resulted in a combined funding disallowance to the District of \$10,672; while non-compliance issues would have resulted in potential funding losses of \$7,531.

### **DATA SECURITY MANAGEMENT REPORT AND SCHOOL SITE IT SECURITY AUDIT CHECKLIST**

We reviewed the report titled “Authorized Applications for Employees by Locations Report” at 15 schools. Furthermore, at one of these schools, we physically verified the information provided by the schools on the School Site Information Technology (IT) Security Audit Checklist:

- Frederick Douglass Elementary
- Miami Park Elementary
- Phyllis Ruth Miller Elementary
- Frances S. Tucker Elementary
- South Dade Middle
- Phillis Wheatley Elementary
- Homestead Middle

- **J.F. Kennedy Middle<sup>1</sup>**
- Coral Gables Adult
- Hialeah Senior
- Hialeah-Miami Lakes Senior
- Miami Carol City Senior
- Miami Central Senior
- Norland Senior
- North Miami Senior

At 14 of the 15 schools, there was general compliance with the review of the report, and with the requirements for granting access to system applications.

At John F. Kennedy Middle, 11 of the 21 items on the "School Site IT Security Audit Assessment" (completed and signed by the School Based Technician and the current Principal) were found to be non-compliant. These included: the report had not been printed; therefore, access to system applications was not being monitored; several computers were not password-protected; local administrator passwords were not on file; no evidence that the principal had reviewed the Network Security Standards with staff; and similar non-compliant IT issues.

## AUDIT OPINION

The following table summarizes total cash receipts and disbursements, and financial position of cash and investments *as of June 30, 2008 for all 43 schools included herein*. It also provides the audit opinion regarding the schools' financial statements:

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<sup>1</sup> School site IT Security Audit Checklist reviewed at this school.

## At-A-Glance Audit Results

- ◆ **Authorized Applications For Employees By Locations Report Reviewed At 15 Schools**
  
- ◆ **AT John F. Kennedy Middle, a verification of the School Site IT Security Audit Assessment disclosed significant non-compliance with various school site IT related issues.**

**CONDENSED ANNUAL FINANCIAL REPORTS  
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2008**

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
<b><u>North Regional Center Schools</u></b>								
Myrtle Grove Elementary	\$ 12,527.48	\$ 23,091.03	\$ 22,015.51	\$ 13,603.00	\$ 6,157.03	\$ 7,445.97	-	\$ 13,603.00
North Twin Lakes Elementary	24,116.96	161,204.41	171,229.19	14,092.18	9,074.49	5,017.69	-	14,092.18
Charles David Wyche, Jr. Elementary	14,748.69	39,340.31	38,509.51	15,579.49	6,308.73	9,270.76	-	15,579.49
Carol City Middle	30,770.46	60,666.49	60,286.44	31,150.51	20,718.94	10,431.57	-	31,150.51
John F. Kennedy Middle	41,435.91	244,243.96	241,562.58	44,117.29	14,291.08	29,826.21	-	44,117.29
Hialeah-Miami Lakes Senior	203,316.96	483,341.59	540,761.60	145,896.95	46,450.64	99,446.31	-	145,896.95
Miami Carol City Senior	208,665.15	562,152.61	615,387.17	155,430.59	21,605.60	133,824.99	-	155,430.59
Miami Norland Senior	157,504.81	439,359.30	447,667.34	149,196.77	4,902.31	144,294.46	-	149,196.77
<b><u>North Central Regional Center Schools</u></b>								
Paul Laurence Dunbar Elementary	17,001.21	9,992.85	11,407.92	15,586.14	2,349.72	13,236.42	-	15,586.14
Holmes Elementary	12,123.62	17,653.34	21,783.41	7,993.55	3,345.18	4,648.37	-	7,993.55
Martin Luther King Elementary	12,342.67	11,241.86	12,829.74	10,754.79	7,776.26	2,978.53	-	10,754.79

**CONDENSED ANNUAL FINANCIAL REPORTS  
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2008**

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
Liberty City Elementary	9,094.24	8,934.74	13,139.85	4,889.13	1,619.56	3,269.57	-	4,889.13
Little River Elementary	9,347.09	17,143.43	18,997.90	7,492.62	4,235.62	3,257.00	-	7,492.62
Miami Park Elementary	15,575.88	27,417.89	20,759.02	22,234.75	12,982.14	9,252.61	-	22,234.75
Phyllis Ruth Miller Elementary	47,305.02	208,924.09	213,155.41	43,073.70	19,311.47	23,762.23	-	43,073.70
Horace Mann Middle	25,008.53	66,916.81	60,753.19	31,172.15	5,947.99	25,224.16	-	31,172.15
North Miami Middle	24,052.15	41,207.82	40,559.99	24,699.98	12,300.40	12,399.58	-	24,699.98
Hialeah Senior	283,724.17	766,349.65	767,441.32	282,632.50	26,761.88	255,870.62	-	282,632.50
Miami Central Senior	175,677.49	490,943.75	459,085.09	207,536.15	35,033.25	172,502.90	-	207,536.15
North Miami Senior	291,958.47	399,478.85	445,593.47	245,843.85	29,804.95	216,038.90	-	245,843.85
Miami Springs Adult Ed. Ctr.	201,620.71	100,577.45	138,441.66	163,756.50	43,262.98	120,493.52	-	163,756.50
<b><u>South Central Regional Center</u></b>								
Dr. Bowman Foster Ashe Elementary	15,882.63	371,977.41	373,389.53	14,470.51	12,270.31	2,200.20	-	14,470.51
Banyan Elementary	12,411.96	50,921.21	52,839.19	10,493.98	2,939.00	7,554.98	-	10,493.98
Coconut Grove Elementary	34,943.76	101,116.61	96,136.49	39,923.88	28,644.64	11,279.24	-	39,923.88
Frederick Douglass Elementary	12,932.14	25,580.79	28,992.58	9,520.35	3,471.27	6,049.08	-	9,520.35

**CONDENSED ANNUAL FINANCIAL REPORTS  
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2008**

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
Emerson Elementary	17,131.12	208,563.44	215,850.67	9,843.89	3,745.21	6,098.68	-	9,843.89
Everglades K-8 Center	26,458.57	589,112.31	589,648.70	25,922.18	13,310.03	12,612.15	-	25,922.18
Frances S. Tucker Elementary	17,767.86	34,867.74	40,541.88	12,093.72	10,309.90	1,783.82	-	12,093.72
Phillis Wheatley Elementary	11,423.41	15,419.42	16,193.50	10,649.33	3,380.52	7,268.81	-	10,649.33
Lamar Louise Curry Middle	36,164.70	194,588.55	187,428.20	43,325.05	9,452.88	33,872.17	-	43,325.05
Howard D. McMillan Middle	58,317.58	241,985.78	247,234.34	53,069.02	8,200.37	44,868.65	-	53,069.02
Coral Gables Adult Ed. Ctr.	426,702.50	68,645.43	39,682.49	455,665.44	56,985.78	398,679.66	-	455,665.44
Southwest Miami Adult Ed. Ctr.	67,874.21	318,871.44	300,330.47	86,415.18	47,053.55	39,361.63	-	86,415.18
<b><u>South Regional Center</u></b>								
Avocado Elementary	40,879.37	131,153.76	127,820.20	44,212.93	3,501.93	40,711.00	-	44,212.93
Campbell Drive Elementary	19,994.38	23,004.27	30,411.59	12,587.06	1,181.79	11,405.27	-	12,587.06
Devon Aire K-8 Center	39,689.89	525,082.39	533,382.68	31,389.60	11,092.64	20,296.96	-	31,389.60
Oliver Hoover Elementary	26,336.61	381,710.23	379,410.71	28,636.13	6,529.06	22,107.07	-	28,636.13

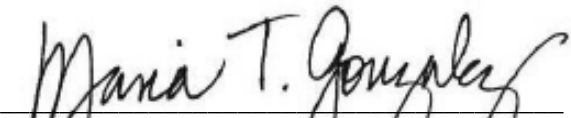
## CONDENSED ANNUAL FINANCIAL REPORTS AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2008

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
Irving & Beatrice Peskoe Elementary	15,232.93	26,072.13	35,128.33	6,176.73	1,487.44	4,689.29	-	6,176.73
Cutler Ridge Middle	35,588.60	120,367.05	127,058.54	28,897.11	923.22	27,973.89	-	28,897.11
Homestead Middle	23,948.71	94,735.65	99,298.56	19,385.80	4,894.59	14,491.21	-	19,385.80
South Dade Middle	-	100,911.38	88,550.56	12,360.82	12,360.82	-	-	12,360.82
Miami Palmetto Adult	100,098.73	161,409.69	137,609.93	123,898.49	103,121.29	20,777.20	-	123,898.49
Dorothy M. Wallace COPE So.	27,464.78	80,044.16	80,016.48	27,492.46	17,867.94	9,624.52	-	27,492.46
Totals	\$2,885,162.11	\$8,046,323.07	\$8,188,322.93	\$2,743,162.25	\$696,964.40	\$2,046,197.85	-	\$2,743,162.25

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

The financial statements of the schools in this audit report present fairly, in all material respects, the changes in fund balances arising from cash transactions of the internal funds of the schools during the 2007-08 fiscal year, depending on the school being audited, on the cash basis of accounting.

As of June 30, 2008, for all 43 schools reported herein, total combined receipts and disbursements amounted to \$8,046,323 and \$8,188,323 respectively; while total combined cash and investments amounted to \$2,743,162. As of June 30, 2008, the internal control structure at the schools generally functioned as designed by the District and implemented by the school administration, except for those conditions reported at the aforementioned schools. When conditions came to our attention that were deemed non-reportable, because they were immaterial and inconsequential, they were nevertheless, discussed with management for their information and follow-up.

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

## INTERNAL CONTROLS RATING

Internal controls' ratings of the schools reported herein are depicted as follows:

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<b><u>North Regional Center</u></b>							
<b>Elementary Schools</b>							
Myrtle Grove Elementary	✓			✓			Not Likely to impact
<b>North Twin Lakes Elementary</b>		✓			✓		<i>Likely to impact operations</i>
Charles David Wyche, Jr. Elementary	✓			✓			Not Likely to impact
<b>Secondary Schools</b>							
Carol City Middle	✓			✓			Not Likely to impact
<b>John F. Kennedy Middle</b>		✓			✓		<i>Likely to impact operations</i>
Hialeah-Miami Lakes Senior	✓			✓			Not Likely to impact
Miami Carol City Senior	✓			✓			Not Likely to impact
Miami Norland Senior	✓			✓			Not Likely to impact
<b><u>North Central Regional Center</u></b>							
<b>Elementary Schools</b>							
Paul Laurence Dunbar Elementary	✓			✓			Not Likely to impact
Holmes Elementary	✓			✓			Not Likely to impact
Martin Luther King Elementary	✓			✓			Not Likely to impact

## INTERNAL CONTROLS RATING

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Liberty City Elementary	✓			✓			Not Likely to impact
Little River Elementary	✓			✓			Not Likely to impact
Miami Park Elementary	✓			✓			Not Likely to impact
Phyllis Ruth Miller El.	✓			✓			Not Likely to impact
<b>Secondary Schools</b>							
Horace Mann Middle	✓			✓			Not Likely to impact
North Miami Middle	✓			✓			Not Likely to impact
Hialeah Senior		✓			✓		<i>Likely to impact operations</i>
Miami Central Senior		✓			✓		<i>Likely to impact operations</i>
North Miami Senior	✓			✓			Not Likely to impact
<b>Adult Education Center</b>							
Miami Springs Adult	✓			✓			Not Likely to impact
<b><u>South Central Regional Center Schools</u></b>							
<b>Elementary Schools and K-8 Centers</b>							
Dr. Bowman Foster Ashe Elementary	✓			✓			Not Likely to impact
Banyan Elementary	✓			✓			Not Likely to impact
Coconut Grove Elementary	✓			✓			Not Likely to impact
Frederick Douglass Elementary	✓			✓			Not Likely to impact

## INTERNAL CONTROLS RATING

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Emerson Elementary	✓			✓			Not Likely to impact
<b>Everglades K-8 Center</b>		✓			✓		<i>Likely to impact operations</i>
Frances S. Tucker Elementary	✓			✓			Not Likely to impact
Phillis Wheatley Elementary	✓			✓			Not Likely to impact
<b>Secondary Schools</b>							
Lamar Louise Curry Middle	✓			✓			Not Likely to impact
Howard D. McMillan Middle	✓			✓			Not Likely to impact
<b>Adult Education Centers</b>							
Coral Gables Adult Ed. Ctr.	✓			✓			Not Likely to impact
Southwest Miami Adult	✓			✓			Not Likely to impact
<b><u>South Regional Center</u></b>							
<b>Elementary Schools and K-8 Centers</b>							
Avocado Elementary	✓			✓			Not Likely to impact
Campbell Drive Elementary	✓			✓			Not Likely to impact

## INTERNAL CONTROLS RATING

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Devon Aire K-8 Center	✓			✓			Not Likely to impact
Oliver Hoover Elementary	✓			✓			Not Likely to impact
Irving & Beatrice Peskoe Elementary	✓			✓			Not Likely to impact
<b>Secondary Schools</b>							
Cutler Ridge Middle	✓			✓			Not Likely to impact
Homestead Middle	✓			✓			Not Likely to impact
South Dade Middle	✓			✓			Not Likely to impact
<b>Adult Education Center</b>							
Miami Palmetto Adult	✓			✓			Not Likely to impact
<b>Alternative Education Center</b>							
Dorothy M. Wallace COPE So.	✓			✓			Not Likely to impact

## SUMMARY SCHEDULE OF AUDIT FINDINGS

Summary of findings at schools reported herein are as follows:

Work Loc. No.	Schools	CURRENT YEAR AUDIT FINDINGS		PRIOR YEAR AUDIT FINDINGS	
		Total per School	AREA OF FINDINGS	Total per School	AREA OF FINDINGS
North Regional Center Schools					
3581	Myrtle Grove Elementary	None		None	
3981	North Twin Lakes El.	3	▪ Title I Hourly Account ▪ Title I CIS ▪ FTE-ELL	None	
5991	Charles David Wyche, Jr. El.	None		None	
6051	Carol City Middle	None		None	
6301	John F. Kennedy Middle	3	▪ Title I Purchases ▪ School Site IT ▪ Title I CIS	None	
7131	Hialeah-Miami Lakes Senior	None		None	
7231	Miami Carol City Senior	None		1	▪ Payroll
7381	Miami Norland Senior	None		None	
North Central Regional Center Schools					
1441	Paul Laurence Dunbar El.	None		None	
2501	Holmes Elementary	None		None	
2761	Martin Luther King Elementary	None		None	
2981	Liberty City Elementary	None		None	
3021	Little River Elementary	None		None	
3301	Miami Park Elementary	None			
3431	Phyllis Ruth Miller Elementary	None		1	▪ P-Card
6411	Horace Mann Middle	None		None	
6631	North Miami Middle	None		None	
7111	Hialeah Senior	3	▪ Deposits ▪ Payroll ▪ Property	None	
7251	Miami Central Senior	1	▪ Property	3	▪ Property ▪ Yearbook ▪ Transfers

## SUMMARY SCHEDULE OF AUDIT FINDINGS

Work Loc. No.	Schools/Centers	CURRENT YEAR AUDIT FINDINGS		PRIOR YEAR AUDIT FINDINGS	
		Total per School	AREA OF FINDINGS	Total per School	AREA OF FINDINGS
7591	North Miami Senior	None		None	
7512	Miami Springs Adult Ed. Ctr.	None		None	
<b><u>South Central Regional Center Schools</u></b>					
0451	Dr. Bowman Foster Ashe El.	None		3	<ul style="list-style-type: none"> <li>▪ Title I</li> <li>▪ FTE-ESE</li> <li>▪ FTE-ELL</li> </ul>
0201	Banyan Elementary	None		None	
0841	Coconut Grove Elementary	None		None	
1361	Frederick Douglass El.	None		None	
1641	Emerson Elementary	None		None	
1721	<b>Everglades K-8 Center</b>	<b>1</b>	<b>▪ FTE-ESE</b>	None	
5561	Frances S. Tucker El.	None		None	
5931	Phillis Wheatley El.	None		None	
6921	Lamar Louise Curry Middle	None		None	
6441	Howard D. McMillan Middle	None		1	▪ FTE-ESE
7072	Coral Gables Adult Ed. Ctr.	None		None	
7742	Southwest Miami Adult Ed. Ctr.	None		None	
<b><u>South Regional Center Schools</u></b>					
0161	Avocado Elementary	None		2	<ul style="list-style-type: none"> <li>▪ FTE-ESE</li> <li>▪ FTE-ELL</li> </ul>
0651	Campbell Drive Elementary	None		None	
1331	Devon Aire K-8 Center	None		None	
2521	Oliver Hoover Elementary	None		None	
4391	Irving & Beatrice Peskoe El.	None		None	
6111	Cutler Ridge Middle	None		None	
6251	Homestead Middle	None		None	
5003	South Dade Middle	None		None	
7432	Miami Palmetto Adult	None		None	
8131	Dorothy M. Wallace COPE So.	None		None	
<b>TOTAL</b>		<b>11</b>		<b>11</b>	

## LIST OF SCHOOL PRINCIPALS

Listed below are the names of the former and current principals, as applicable:

Work Loc. No.	Schools/Centers	Current Principal	Former Principal
<b><u>North Regional Center Schools</u></b>			
3581	Myrtle Grove Elementary	Ms. Dianne W. Jones	Dr. Barbara L. Johnson
3981	North Twin Lakes El.	Mr. Robert L. Kalinsky	Ms. A. Louise Harms
5991	Charles David Wyche, Jr. El.	Dr. Barbara L. Johnson	Ms. Dianne W. Jones
6051	Carol City Middle	Ms. Kim W. Cox	Mr. Nelson Izquierdo
6301	John F. Kennedy Middle	Ms. Karen L. Robinson	Ms. Kay L. Mikulas
7131	Hialeah-Miami Lakes Senior	Mr. Christopher J. Shinn	Ms. Karen L. Robinson
7231	Miami Carol City Senior	Mr. Nelson Izquierdo	Ms. Kim W. Cox
7381	Miami Norland Senior	Dr. Derick R. McKoy	Dr. Mark Soffian
<b><u>North Central Regional Center Schools</u></b>			
1441	Paul Laurence Dunbar El.	Ms. Ann L. Gary	Ms. Marie L. Destin
2501	Holmes Elementary	Mr. Frank V. MacBride, Jr.	Ms. Dahlia M. Gonzalez
2761	Martin Luther King Elementary	Ms. Mary J. Brown	Ms. Tamme Y. Williams
2981	Liberty City Elementary	Ms. Tamme Y. Williams	Ms. Cheri A. Davis
3021	Little River Elementary	Mr. Orlando B. Milligan	Mr. Fernando P. Diaz
3301	Miami Park Elementary	Ms. Sandra C. Pelham	Dr. Lillian K. Cooper
3431	Phyllis Ruth Miller El.	Ms. Verdell D. King	Ms. Lora J. Manning Ms. Maileen A. Ferrer
6411	Horace Mann Middle	Ms. Carmen Jones-Carey	Ms. Pamela J. Johnson
6631	North Miami Middle	Mr. Fernando P. Diaz	Mr. Michael A. Lewis
7111	Hialeah Senior	Dr. Verena Cabrera	Mr. Lorenzo Ladaga
7251	Miami Central Senior	Mr. Eugene Butler Jr.	Dr. Jerry J. Clay, Jr. Ms. Robin Y. Atkins
7591	North Miami Senior	Mr. Michael A. Lewis	Mr. Carnell A. White
7512	Miami Springs Adult Ed. Ctr.	Mr. Miguel Veloso	Ms. Eunice C. Soto

## LIST OF SCHOOL PRINCIPALS

Work Loc. No.	Schools/Centers	Current Principal	Former Principal
<b><u>South Central Regional Center Schools</u></b>			
0451	Dr. Bowman Foster Ashe El.	Dr. Kamela K. Patton	Mr. Steve J. Rummel
0201	Banyan Elementary	Ms. Cheri A. Davis	Ms. Carolyn L. McCalla
0841	Coconut Grove Elementary	Ms. Eva N. Ravelo	Ms. Avis Y. Bembry
1361	Frederick Douglass El.	Ms. Regina P. Lowe-Smith	Ms. Cathleen A. McGinnis
1641	Emerson Elementary	Ms. Liliana C. Albuerne	Ms. Maria P. Acosta
1721	Everglades K-8 Center	Dr. Doyle N. Tarver	N/A - FTE Audit
5561	Frances S. Tucker El.	Ms. Annette DeGoti	Ms. Cathy M. Williams
5931	Phillis Wheatley El.	Ms. Carolyn L. McCalla	Ms. Deloise B. Brown
6921	Lamar Louise Curry Middle	Ms. Wandarece Ruan	Ms. Caridad H. Montano
6441	Howard D. McMillan Middle	Ms. Hilca Thomas	Dr. Winston A. Whyte
7072	Coral Gables Adult Ed. Ctr.	Mr. Alexis Cazañas	Dr. Fred D. Pullum
7742	Southwest Miami Adult Ed. Ctr.	Mr. Steve J. Rummel	Ms. Carol Y. Wright
<b><u>South Regional Center Schools</u></b>			
0161	Avocado Elementary	Ms. Cory R. Rodriguez	Mr. Patrick J. Doyle Mr. Todd W. Morrow
0651	Campbell Drive Elementary	Ms. Annette M. Diaz	Ms. Ana C. Othon
1331	Devon Aire K-8 Center	Mr. Andy J. Pierre-Louis	Dr. Lawrence S. Feldman
2521	Oliver Hoover Elementary	Ms. Neyda G. Navarro	Mr. Enrique A. Ferrer
4391	Irving & Beatrice Peskoe El.	Ms. Maria P. Acosta	Ms. Liliana C. Albuerne
6111	Cutler Ridge Middle	Mr. Eduardo L. Alonso	Mr. Thomas P. Ennis
6251	Homestead Middle	Mr. Juan C. Silva	Mr. Nikolai Vitti
5003	South Dade Middle	Mr. Brian Hamilton	N/A - New School
7432	Miami Palmetto Adult	Ms. Eunice C. Soto	Dr. Edward F. Gehret
8131	Dorothy M. Wallace COPE So.	Ms. Karen F. Webb	Ms. Edwina S. King

# PROPERTY SCHEDULES

Property results are as follows:

Work Location No.	Schools	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Unloc. Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
Alternative Education Centers								
8119	The 500 Role Mod. Ac.*	81	\$ 168,509	None	-	-	None	-
8121	C.O.P.E. Center- North*	120	259,236	None	-	-	None	-
8141	Juvenile Justice Center*	73	126,203	None	-	-	None	-
Special Education Centers								
0921	Neva K. Cooper Ed. Ctr.*	105	258,584	None	-	-	None	-
8151	Robert Renick Ed Ctr.*	255	550,003	None	-	-	None	-
North Regional Center Schools								
0641	Bunche Park El.*	89	222,876	None	-	-	None	-
1161	Crestview Elementary*	116	282,068	2	\$ 2,548	\$ 1,773	None	-
1481	John G. Dupuis Elementary*	162	327,352	None	-	-	None	-
3581	Myrtle Grove Elementary	146	283,374	None	-	-	None	-
3981	North Twin Lakes El.	100	221,744	None	-	-	None	-
4301	Parkview Elementary*	55	134,063	None	-	-	None	-
2191	Spanish Lake El.*	70	305,431	None	-	-	N/A	N/A
5991	Charles D. Wyche, Jr. El.	106	189,009	None	-	-	None	-
6051	Carol City Middle	290	687,196	None	-	-	None	-
6301	John F. Kennedy Middle	752	1,198,687	None	-	-	None	-
6241	Highland Oaks Middle*	577	1,006,417	None	-	-	None	-
6591	North Dade Middle*	320	662,267	None	-	-	None	-
7131	Hialeah-Miami Lakes Sr.	812	1,770,404	None	-	-	None	-
7231	Miami Carol City Senior <sup>U</sup>							
7381	Miami Norland Senior	321	701,406	None	-	-	None	-
North Central Regional Center Schools								
2531	Thena C. Crowder El.*	88	204,368	None	-	-	None	-
1401	Charles R. Drew El.*	156	288,671	None	-	-	None	-
1441	Paul Laurence Dunbar El.	125	269,380	None	-	-	None	-
1561	Earlington Heights El*	96	211,691	None	-	-	None	-
2501	Holmes Elementary	135	232,836	1	3,196	-	1	\$ 1,049
2761	Martin Luther King El.	105	230,448	None	-	-	None	-
2981	Liberty City Elementary	131	257,008	None	-	-	None	-
3021	Little River Elementary	215	362,834	None	-	-	None	-
3301	Miami Park Elementary <sup>U</sup>							
3431	Phyllis Ruth Miller El.	258	582,900	None	-	-	None	-
4501	Poinciana Park El.*	168	363,233	None	-	-	None	-
4961	Shadowlawn Elementary*	134	267,712	None	-	-	None	-
0071	Eugenia B. Thomas K-8 Ctr*	309	604,238	None	-	-	None	-

## PROPERTY SCHEDULES

Work Location No.	Schools	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Unloc. Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
2371	West Hialeah Gardens El.*	65	293,890	None	-	-	N/A	N/A
6411	Horace Mann Middle <sup>U</sup>							
6521	Miami Springs Middle*	369	741,407	None	-	-	None	-
6631	North Miami Middle	158	339,792	1	1,325	1,060	None	-
6981	Westview Middle*	224	474,788	None	-	-	None	-
7111	Hialeah Senior <sup>1</sup>	1,130	2,513,014	18	26,013	8,846	None	-
7251	Miami Central Senior <sup>1</sup>	1,569	3,380,163	11	24,489	17,503	22	39,738
7301	Miami Edison Senior*	805	1,464,381	None	-	-	None	-
7591	North Miami Senior	398	803,484	None	-	-	None	-
8139	D.A. Dorsey Ed. Ctr.*	195	565,588	None	-	-	None	-
7512	Miami Springs Adult Ctr.	122	309,628	None	-	-	None	-
<b>South Central Regional Center Schools</b>								
0451	Dr. Bowman F. Ashe El.	142	357,390	None	-	-	None	-
0201	Banyan Elementary	82	204,669	None	-	-	None	-
0841	Coconut Grove El	63	151,725	None	-	-	None	-
1001	Coral Park Elementary*	66	149,664	None	-	-	None	-
1361	Frederick Douglass El	122	283,937	2	2,498	424	None	-
1371	Marjory S. Douglas El.*	172	410,201	None	-	-	2	4,924
1641	Emerson Elementary	62	162,661	None	-	-	None	-
1721	Everglades K-8 Center	207	524,209	None	-	-	None	-
1841	Flagami Elementary*	147	262,936	None	-	-	None	-
2341	Joe Hall Elementary*	61	158,963	None	-	-	None	-
3061	Ludlam Elementary*	120	262,502	None	-	-	None	-
4691	Jane S Roberts K-8 Ctr.*	227	448,426	None	-	-	None	-
4761	Royal Palm Elementary*	160	324,529	None	-	-	None	-
5561	Frances S. Tucker El.	91	215,774	None	-	-	None	-
5931	Phillis Wheatley El.	142	327,150	None	-	-	None	-
6361	Jose de Diego Middle*	320	728,444	None	-	-	None	-
6921	Lamar Louise Curry Md.	439	938,076	None	-	-	None	-
6441	Howard D. McMillan Md.	547	957,956	None	-	-	None	-
7055	Young Womens Prep Ac.*	403	520,349	None	-	-	None	-
7072	Coral Gables Adult Ed. <sup>U</sup>							
7742	Southwest Miami Adult <sup>U</sup>							
<b>South Regional Center Schools</b>								
0161	Avocado Elementary	290	515,683	None	-	-	None	-
0651	Campbell Drive El.	186	335,654	None	-	-	None	-
1041	Coral Reef Elementary*	94	199,616	None	-	-	None	-
1331	Devon Aire K-8 Center	413	761,969	None	-	-	None	-
2521	Oliver Hoover Elementary	197	417,375	None	-	-	None	-
2641	Kendale Elementary*	126	221,981	None	-	-	None	-

## PROPERTY SCHEDULES

Work Location No.	Schools	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Unloc. Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
3541	Robert Russa Moton El.*	216	490,229	None	-	-	None	-
4381	Perrine Elementary*	146	292,597	None	-	-	None	-
4391	Irving & Beatrice Peskoe	105	261,087	None	-	-	None	-
4421	Pinecrest Elementary*	162	283,755	None	-	-	None	-
6771	Jorge Mas Canosa Mid.*	313	647,538	None	-	-	None	-
6111	Cutler Ridge Middle	170	398,424	None	-	-	None	-
6251	Homestead Middle	343	729,536	None	-	-	None	-
6781	Richmond Heights Md.*	349	809,667	None	-	-	None	-
5003	South Dade Middle	352	815,234	None	-	-	N/A	N/A
7432	Miami Palmetto Adult <sup>μ</sup>							
8131	Dorothy Wallace COPE So. <sup>μ</sup>							
	<b>TOTAL</b>	<b>18,540</b>	<b>\$ 38,686,189</b>	<b>35</b>	<b>\$ 60,069</b>	<b>\$ 29,606</b>	<b>25</b>	<b>\$ 45,711</b>

**Legend:**

\* Schools that were previously reported to the Audit Committee (39 schools).

<sup>μ</sup> Property inventory results will be reported at a later date (7 schools).

<sup>1</sup> Schools with audit findings in property management (2 schools-Hialeah Sr. and Miami Central Sr.)

N/A No prior inventory since this is a new school (3 schools).

## PROPERTY SCHEDULES

Analysis of Plant Security Reports for the schools included herein follows:

Work Location No.	Schools	No. of Plant Security Reports	Total Items	Total Amount at Cost	CATEGORY (AT COST)		Total Depreciated Value
					Computers	Other	
<b><u>North Regional Center Schools</u></b>							
4301	Parkview Elementary	2	2	\$ 2,561	\$ 2,561	-	-
2191	Spanish Lake Elementary	1	1	1,250	-	\$ 1,250	\$ 1,146
6051	Carol City Middle	2	4	6,411	6,411	-	1,837
6301	John F. Kennedy Middle	1	4	4,152	4,152	-	2,676
<b><u>North Central Regional Center Schools</u></b>							
1401	Charles R. Drew El.	1	1	1,399	1,399	-	-
6981	Westview Middle	1	1	1,189	1,189	-	-
7251	Miami Central Senior	2	9	10,773	10,773	-	4,152
7301	Miami Edison Senior	2	3	6,048	1,499	4,549	2,332
7591	North Miami Senior	2	4	6,313	6,313	-	2,897
8139	D.A. Dorsey Ed. Center	2	2	2,684	2,684	-	1,488
<b><u>South Central Regional Center</u></b>							
4761	Royal Palm Elementary	1	2	2,076	2,076	-	1,125
7055	Young Womens Prep Ac.	1	2	2,107	2,107	-	1,513
	TOTAL	18	35	\$ 46,963	\$ 41,164	\$ 5,799	\$ 19,166

## FINDINGS AND RECOMMENDATIONS

### INTERNAL FUNDS

#### **1. Inadequate Oversight Over Deposits Resulted In Checking Account Deficit Balance And Overdrafts Charges *Hialeah Senior***

The School Board of Miami-Dade County is responsible for operating a centralized food service program. At the school sites, food service (Cafeteria) collections are deposited separately from Internal Funds collections, in a centralized food service bank account managed by the District's Food Service Accounting Unit. For accountability purposes, school sites are each assigned an individual bank account number within the centralized food service bank account system.

Cafeteria deposits are prepared by the school's Food Service Manager using deposit slips provided by the food service bank; while Internal Funds deposits are prepared by the school's Treasurer using deposit slips corresponding to the school's Internal Funds checking account. At this particular school, the Internal Funds checking account and the school's food service bank account were maintained in the same bank.

- 1.1. During the month of February 2008, the school's Treasurer accidentally used bank deposit slips from the school's food service bank account to prepare the Internal Funds deposits. We found that a total of 18 Internal Funds deposits totaling \$76,078 were erroneously deposited into the school's food service bank account. Consequently, the school's Internal Funds checking account was overdrawn \$(3,575); and overdraft charges totaling \$560 were incurred.

After the February 2008 month-closing, the school discovered the error, and on March 4<sup>th</sup>, 2008, the bank transferred the funds into the Internal Funds checking account. However, the bank would not credit the school for the overdraft charges.

- 1.2. During our physical verification of official pre-numbered Official Teacher's Receipt Books and other official forms used by the school to receipt revenue collections,<sup>1</sup> we found that \$50 cash collections receipted back in November 2007 remained attached to a receipt book. At the time of our visit, this book was under the custody of a teacher. At our request, these monies were deposited in the Internal Funds checking account and recorded in the MSAF system on September 2008.

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<sup>1</sup> Pursuant to guidelines in Section II, Chapter II of the *Manual of Internal Fund Accounting*, these are the types of forms/receipts that schools use to receipt revenue collections. Following Internal Fund policy, the schools must maintain an inventory of these forms, which we verify during the audit process.

## RECOMMENDATIONS

### 1.1. Strengthen the review of deposits, and monitor bank balances more frequently.

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

**Management Response:** In order to ensure strict compliance with School Board policies and procedures regarding Internal Funds, the following corrective measures and preventive strategies have been instituted:

The principal met with the treasurer and the principal's designee and reviewed the *Manual of Internal Fund Accounting*, Section II, Chapter 2, outlining proper procedures for collection and depositing of monies.

The principal will review the bank reconciliation statements and checkbook monthly with the treasurer and the principal's designee to ensure documents are being properly processed and maintained.

The principal instructed the treasurer to review all deposit booklets and clearly identify with a mark all the Internal Funds booklets on hand for easy identification. She was also instructed to provide the Cafeteria Manager with any Food Service deposit booklets found in the Treasurer's office.

The principal instructed the treasurer to ensure receipt of the validated deposit slips or confirmation document from the bank on a daily basis. She was also instructed to communicate to the Principal any instances when these forms are not being received at the school after a deposit has been sent.

### 1.2. Strengthen the controls over the inventory of receipt books.

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

**Management Response:** In order to ensure strict compliance with School Board policies and procedures regarding Internal Funds, the following corrective measures and preventive strategies have been instituted:

The principal reviewed with staff involved in fundraising activities the proper procedures for the collection and deposit of monies, and the use of official receipt books.

The Treasurer has been instructed that sponsors must bring into the Treasurer's office the official receipt books, along with the monies collected, to verify that all monies receipted have been turned in, and that the MSAF receipts are being attached to the receipt books. In addition, she was instructed to collect from the sponsors the official receipt books immediately after the completion of the related fund-raising activities.

The principal instructed the treasurer to properly complete Form FM-0990, Serialized Forms and Ticket Distribution Log. In cases where teachers return a book with balance of unused receipts, the sequence will be indicated.

The principal's designee will monitor the assigned receipt books on a monthly basis to ensure that computer-generated receipts are being attached to the corresponding receipt books.

## **PAYROLL**

### **2. Improper Recordkeeping And Reporting Of Payroll *Hialeah Senior***

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

- Full-time employees are to indicate their presence on the Daily Payroll Attendance Sheets by noting the employee's initials;
- An Application for Leave Card is to be completed by full-time employees to document absences for scheduled work days. The leave card should be signed by the Principal or designee and by the employee;
- Temporary Duty leave should be reported when an employee is out on work-related assignments. As a general rule, if the activity is with M-DCPS personnel, on M-DCPS property, *a leave card is not needed. However, when a substitute is hired to cover the employee's regular work schedule, a leave card should be completed, regardless of where the temporary duty takes place.*

We reviewed three sampled pay periods during May and June processed under the tenure of the former Principal. We further extended our review of payroll to two current pay periods under the current Principal. We found the following discrepancies:

- 2.1. A total of 35 daily-paid employees failed to indicate their daily presence on the Daily Payroll Attendance Sheets, and were reported present on the Final Rosters. We identified a total of 52 instances, 24 of which happened on the last day of a given pay period in May and June. According to the current Principal, these employees were present on the days in question. Two of the 35 employees were identified during our review of current pay periods.
- 2.2. The school incorrectly reported as present nine employees whose temporary duties required the hiring of substitutes to cover their regular work schedule. Consequently, leave cards were not prepared. These instances were identified during our review of pay periods processed under the former Principal.

- 2.3. A total of ten employees were reported on “Authorized Leave Without Pay”; however, leave cards were not prepared and the leave was not recorded on the Daily Payroll Attendance Sheets. Seven of these employees were identified during our review of current pay periods; one of them was overpaid two days. In addition, a few leave cards corresponding to May and June were missing the Principal or his designee’s signature. These documented sick/personal leave.

Only those errors that were verifiable by us during the audit were corrected during the audit.

Although our review of payrolls processed under the current Principal disclosed that records and documentation have significantly improved when compared to prior payrolls (as evidenced by the pay periods referenced in the conditions cited above), the recommendations that follow should assist the school administration with the strengthening of the recordkeeping and documenting of payroll, and the accuracy of the records:

## **RECOMMENDATIONS**

- 2.1. **Review with staff the procedures for documenting the attendance on the Daily Payroll Attendance Sheets, and strengthen the overall review of payroll records.**

**Person(s) Responsible:** **Principal, Principal’s Designee, Payroll Clerk**

**Management Response:** In order to ensure accurate monitoring and processing of payroll records, the following corrective measures and preventive strategies have been instituted:

As part of the Opening of Schools meeting, the principal reviewed payroll reporting procedures with the entire faculty and staff, emphasizing sign in/out procedures, completing leave cards, and submitting temporary duty forms prior to scheduled absences.

The principal has reviewed with the payroll clerk and principal’s designee the *Payroll Processing Procedures Manual* focusing on the procedures to document, process, and approve payroll. A system was established to provide for the careful review of the Daily Payroll Attendance Sheet by both the payroll clerk and the principal or designee. This will ensure that all employees sign in/out on a daily basis and proper notations are made, i.e., “S” for sick, “A” for LWOP, etc., on the Daily Payroll Attendance Sheet, when employees are out of the building.

The principal met with the payroll clerk and principal's designee and discussed with them that staff should not be reported present when staff fails to sign in. Said staff member will be notified in writing of their failure to follow payroll procedures. Those instances where staff fails to submit a written explanation may require the reporting of leave without pay.

The principal or principal's designee will continue to review payroll procedures with all staff as detailed in the school's faculty/staff handbook and the *Payroll Processing Procedures Manual*. Particular emphasis will be placed upon areas of concern identified in the audit in order to prevent recurrence.

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

**Person(s) Responsible:** Principal, Principal's Designee, Payroll Clerk

**Management Response:** In order to ensure accurate monitoring and processing of payroll records, the following corrective measures and preventive strategies have been instituted:

The principal met with the payroll clerk and principal's designee and reviewed the *Payroll Processing Procedures Manual* focusing on the procedures for documenting leave, especially when substitutes are required to cover instructional personnel.

The principal or designee will cross-reference the staff absentee list against the Temporary Instructors Daily Payroll Attendance Sheet to ensure accuracy.

## **PROPERTY MANAGEMENT**

### **3. Inadequate Controls Over Property Inventory Result In Loss Of Equipment *Hialeah Senior***

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.

According to Section 3 of the *Manual*, if the property item is moved to another location within the school system, either temporary or permanently, its movement will be recorded on an "Outgoing Controlled Equipment" Form [FM-1670]. Similarly, the "Approval For Off-Campus Use of School Property" [FM-2380] is completed when property items are temporarily assigned off-campus.

At this school, the property inventory consisted of 1,130 property items with an individual cost of \$1,000 or more, for a total value of \$2,513,014. Our most recent property audit at this school disclosed the following discrepancies:

- 3.1. A total of 18 property items with a total acquisition cost of \$26,013, and a depreciated value of \$8,846 remain “unlocated”. Property items included 16 computers and network switches with a cost of \$21,281; a projector with a cost of \$2,699, and a tuba with a cost of \$2,033. The date of acquisition of the computer and switches ranged between 2001 and 2007; while the projector and the tuba were acquired back in 2000 and 1991, respectively.
- 3.2. Documentation supporting property items temporarily used off-campus or transferred to other locations was incomplete. Specifically, we found that a total of 25 property items with a cost of \$39,008 had been temporarily assigned off-campus for student, staff, and administrative use; however, the forms were not signed to indicate the Principal’s approval. In one of these instances, a form had not been prepared. Similarly, documentation for some of the property items officially transferred to other locations was not on file at the school. During the audit, the equipment was verified, and the forms required to document equipment located off-campus were completed and signed by the current Principal.

## **RECOMMENDATIONS**

- 3.1. **Ensure that staff and administration, particularly those in charge of property management, understand and are fully aware of the procedures for accounting for property; and strengthen the management of property items at the school.**

**Person(s) Responsible:**

**Principal, Principal's Designee,  
Microsystems Technician**

**Management Response:** In order to ensure accurate monitoring of property control records, the following corrective measures and preventive strategies have been instituted:

The principal met with the Microsystems technician and principal's designee and reviewed the *Manual of Property Control Procedures* focusing on procedures for accounting for property.

Quarterly school site mini-audits will be conducted to monitor property inventory. After each in-house inventory, the principal will meet with the Microsystems Technician and principal's designee to discuss the results. Any discrepancy will be immediately reported for proper follow-up and corrective action.

The principal will meet on November 18, 2008 to review proper property inventory procedures with the entire faculty and staff. The review will address the movement of property from one room to another, reporting procedures when property is found missing, as well as procedures for temporary off campus removal of property. A *Property Inventory Confirmation Form* (school site form) will be completed by all staff assigned to an identified room. This form will list all equipment assigned to the specific room and verified by employee signature in order to properly track property assigned to individual rooms on campus.

The server room (A212) where much of the technology equipment is stored, will be rekeyed giving access to only the principal and Microsystems technician. This will ensure better control for the distribution and security of property.

**3.2. Ensure that forms required to document property taken off-campus have appropriate approvals and are maintained on file.**

**Person(s) Responsible:**

**Principal, Principal's Designee,  
Microsystems Technician**

**Management Response:** In order to ensure accurate monitoring of property control records, the following corrective measures and preventive strategies have been instituted:

All documentation supporting property items temporarily used off-campus (Approval for Off-Campus Use of School Property [FM-2380]) or transferred to other locations (Outgoing Controlled Equipment [FM-1670]) must have the principal's approval and will be kept on file by the principal and reviewed on a quarterly basis to insure the paperwork is up to date and inventory can be accounted for. Any discrepancy will be immediately reported to the principal's designee for proper follow-up and corrective action.

#### **4. Poor Controls Over The Management Of School Property *Miami Central Senior***

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, 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.

Our most recent property audit at this school revealed the following discrepancies:

- 4.1. A total of 11 items at a cost of \$24,489 and a depreciated value of \$17,503 were reported as “*unlocated*”. The equipment breakdown is as follows:

Type of Equipment	Qty.	Year Acquired	Acquisition Cost	Depreciated Value
Computers (5), Hubs (1) & Switches (1)	7	Mostly 2006 & 2007	\$ 12,459	\$ 7,858
Projector	1	2001	2,740	777
Musical Instruments	2	2008	6,383	6,156
Refrigerated Comp. Air Dryer	1	2007	2,907	2,712
Total	11		\$ 24,489	\$ 17,503

- 4.2. This is the third consecutive year that a property audit at this school has revealed similar losses. For the past two years, our office requested from the former school administration the implementation of action plans for the improvement of property management and the safeguarding of physical assets. Based on the results, it is evident that these prior plans and school efforts have proven unsuccessful.
- 4.3. Other property losses reported by the school included nine computers at a cost of \$10,773 and a depreciated value of \$4,152. These losses were reported via two Plant Security Reports<sup>2</sup> dated July 15 and August 12, 2008. According to the reports, the school technician reported the loss of seven computers that were apparently stolen when the door to the room where they were housed in was left

<sup>2</sup> Section 4 of the *Manual* also provides guidelines regarding losses or damage to School Board property due to theft, fire, vandalism, etc. In such cases, property must be promptly reported to the School Police on a Plant Security Report [FM-0366] within 24 hours of discovery of the loss. The School Police is responsible for maintaining records of such losses. Upon authorization of the School Police and subject to final reporting to the School Board, *these losses are removed from property inventory records*. During our property audits, we also review and report the property reported through this process.

open by custodial staff. The other two computers were reported missing by teachers upon their return to their classrooms in August.

## RECOMMENDATIONS

### 4.1. 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.

**Person(s) Responsible:** Principal, Principal's Designee, Lead Teacher

**Management Response:** In order to ensure that property control procedures will result in the proper location, control and safeguarding of all physical property, the principal has implemented the following corrective measures and preventive strategies:

The principal met with selected personnel, lead teacher and the principal's designee to review the *Manual of Property Control Procedures* and the corrective action plan. The lead teacher and the principal's designee have been assigned to manage the school's property, with oversight from the Principal.

The principal instructed all staff at the Faculty Meeting of September 30, 2008, to properly safeguard property located in their offices/classrooms. The staff was instructed to immediately report any discrepancy as related to property must be immediately reported to the principal's designee. Staff was also instructed to properly secure doors and windows as they exit classrooms or buildings. Failure to comply with stated procedures will result in progressive discipline as appropriate.

The lead teacher and principal's designee will investigate for immediate corrective action any item appearing as un-located. Losses resulting from theft, vandalism, etc., will be reported to M-DCPS Schools Police and a Plant Security Report (Form FM-0366) will be properly processed to ensure the documentation of property inventory. Documentation of such losses will be maintained by the principal's secretary for audit purposes.

The locks and/or doors on identified locations throughout the school have been changed in an effort to better secure equipment located within these areas. Keys have been issued on a very restricted and controlled basis.

An in-house inventory of property will be conducted quarterly. The principal will meet on a monthly basis with the lead teacher and the principal's designee to review the property inventory controls and the corrective action procedures implemented. After each in-house inventory the principal will meet with the lead teacher and principal's designee to discuss the results. Adjustments to the plan will be made as needed to strength the management of property at the school.

**4.2. Ensure that the *entire* school staff, especially those in charge of property management, understand and are fully aware of the procedures for accounting for property.**

**Person(s) Responsible:** Principal, Principal's Designee, Lead Teacher

**Management Response:** In order to ensure that property control procedures will result in the proper location, control and safeguarding of all physical property, the principal has implemented the following corrective measures and preventive strategies:

The principal met with the lead teacher and the designee to review the *Manual of Property Control Procedures*. Additionally, the audit report and this preventive plan was discussed and reviewed to ensure compliance with the implementation of strategies.

The principal will review established property management procedures with all staff at the monthly faculty/staff meetings. Specific areas of compliance will be reviewed during these meetings as outlined in the *Manual of Property Control Procedures*. Staff will be reminded to immediately report any property discrepancy to the administration.

**4.3. Strengthen the monitoring and accounting of property, and conduct in-house property inventories more frequently.**

**Person(s) Responsible:** Principal, Principal's Designee, Lead Teacher

**Management Response:** In order to ensure that property control procedures will result in the proper location, control and safeguarding of all physical property, the principal has implemented the following corrective measures and preventive strategies:

The principal developed a management system to include a database of the school's inventory of property which identifies the physical location of each inventoried item. The principal instructed the lead teacher and designee to conduct monthly mini-audits to ensure the proper identification and location of all property. These in-house audits will be review by the principal and reported to the Regional Center.

A new surveillance system has been installed and three administrators have access to view the facility from their respective computers. The surveillance cameras are periodically checked by a security monitor and/or the A/V technician. Any suspicious activity as related to the movement of property will be immediately reported to the lead teacher and principal's designee for investigation.

**4.4. Maintain complete documentation of any property that is surveyed or taken off-campus. Regarding off-campus property, frequently monitor to ensure their existence.**

**Person(s) Responsible:** Principal, Principal's Designee, Lead Teacher

**Management Response:** In order to ensure that property control procedures will result in the proper location, control and safeguarding of all physical property, the principal has implemented the following corrective measures and preventive strategies.

Property assigned to a staff member for off-site use must have the principal's approval and must be properly documented with the required off-campus forms (Form FM-2380). These forms will be verified during the quarterly mini-audits and monthly review meetings. Any discrepancy will be immediately reported to the principal's designee for proper follow-up and corrective action.

**4.5. Actively investigate any losses to determine cause, and revisit the action plan, as needed, to determine whether adjustments to the plan should be made.**

**Person(s) Responsible:** Principal, Principal's Designee, Lead Teacher

**Management Response:** In order to ensure that property control procedures will result in the proper location, control and safeguarding of all physical property, the principal has implemented the following corrective measures and preventive strategies.

The lead teacher and designee will investigate for immediate corrective action any item appearing as un-located. Losses resulting from theft, vandalism, etc., will be reported to M-DCPS Schools Police and a Plant Security Report Form (FM-0366) will be properly processed to ensure the documentation of property inventory. The property control action plan will be reviewed to ensure all identified strategies have been followed.

Adjustments to the plan will be made as needed.

It is expected that after implementation of the above mentioned recommendations, the management of property and the safeguard of the valuable assets of the school will be much improved. This monitoring of the established action plan procedures will also ensure future property audits to have no un-located items.

## **TITLE I PROGRAM**

### **5. Unnecessary Purchases of IT Equipment And Supplies *John F. Kennedy Middle***

During the 2007-08 fiscal year, under the former school administration, John F. Kennedy Middle expended \$376,366 of Title I program funds. Of this amount, the school administration spent \$162,784 (43%) on payroll, \$161,118 (43%) for computer equipment and \$52,464 (14%) for supplies. While our audit of the payroll expenditures was satisfactory, we were concerned about the excessive spending in the other areas.

According to Section B of the *Title I Administration Handbook*, all purchases made with Title I grant funds must be made to directly support the improvement of academic achievement as reflected in the school's School Improvement Plan. Accordingly, budgeted funds should be used to supplement *previously* existing instructional programs at the school. This section of the *Handbook* not only provides the accounting structures to use when charging salary and non-salary expenditures to the program, but also includes a list of those expenditures deemed unauthorized. In Section C of the *Handbook* are the guidelines related to the disposal of Title I funded equipment.

We reviewed all computer and related accessories that were purchased. These included 125 desktop computers, 113 printers, 5 printer/scanners, and a server. We also reviewed the purchase of 219 printer toner cartridges. In total, our audit sample represented expenditures totaling \$191,541 (51%).

Most computer equipment had been received at the school during the months of January and February 2008, while some equipment had been received during March and May 2008. The following are the detailed result of our examination:



- 5.1. At the time of our visit, in September 2008 (over six months after the school had received most of the equipment), 79 of the 113 printers purchased (70%) remained stored in closets in their original boxes. We question the necessity of purchasing printers far in excess of the school's needs. The school did not lack for printers; we visited at least 20 rooms and offices and found that each was equipped with at least one printer and sometimes multiple printers.

- 5.2. Printer toner in excessive quantities was also purchased, as evidenced by the number of unopened boxes of toner that were found stored throughout the school. This excess may result in wasted resources if the toner's shelf-life expiration date is reached and/or exceeded prior to usage.



- 5.3. The new server received in January 2008, approximately eight months ago, had not yet been installed. We observed that the school had eight other servers. We tested four of these servers and found that one was apparently shut down because it was not needed and another was not operational.

- 5.4. At the time of the review in late September 2008, classroom computer stations were still covered with plastic or disconnected as a result of the school's emergency preparation for Tropical Storm Fay, which occurred in August 2008. They had not been re-connected or restored for active educational use. There were also two computers still in boxes at the Parent Resource Center awaiting set up.



- 5.5. The arrival of the new equipment triggered the replacement and removal of existing computer equipment. At the time of the audit, our auditors inspected some of the inventoried equipment identified for disposal, and verified that most of this equipment still meets standards required for MDCPS network security, and is still recommended for classroom use. The original cost of this equipment was over \$70,000.

Other discrepancies related to Title I procedural and bookkeeping matters disclosed that:

- 5.6. One computer and printer were located in the Magnet Office rather than in classroom areas. Also, four computers had already been reported stolen on March 18, 2008, prior to our visit. These had been received at the school early February 2008.
- 5.7. A total of 73 computers and 101 printers were not identified with Title I labels.
- 5.8. Five computers and 35 printers with a total cost of \$12,162 were erroneously charged to the Supplies object structure account (5510) instead of a computer account.

## **RECOMMENDATIONS**

- 5.1. Limit the use of Title I funds to only those purchases necessary to fulfill the school program's needs. This requires better planning for the use of budgeted funds to prevent unnecessary spending.**

**Person(s) responsible:**

**Principal**

**Management Response:** The Principal developed a plan for 2008 – 2009 for the use of budgeted Title I funds.

The plan includes an increase in personnel expenditures with a corresponding reduction in capitalized/non-capitalized hardware objects. All expenditures will be periodically monitored by the administrative team and Principal's Secretary.

The Principal's Secretary will maintain a binder with all Title I Purchase Orders. All receipt of goods will be controlled by the Lead Computer Specialist. The administration will review the expenditures, via Cliff Reports, at bi-monthly Technology Team meetings.

- 5.2. Limit printer toner purchases based on utilization needs of Title I curriculum and prevent shelf-life expiration.**

**Person(s) responsible:**

**Principal, Computer Specialists**

**Management Response:** The Principal met with the Technology Team to review current printer/toner inventory and ensure the utilization of these materials before further purchases. ITS Heat Tickets will be generated by teachers requiring replacement cartridges, with Heat Tickets providing usage data to be used in generating quarterly usage/monitor reports.

**5.3. Surplus excess server equipment and ensure that operational servers are in good working order.**

**Person(s) responsible:** Principal, Computer Specialists

**Management Response:** The Technology Team met to discuss the server situation. Server 1, previously shut down, is the backup server. It is currently operational and it will be left on from this day forward.

Server 2 is no longer operational. It is obsolete, working under an antique Windows NT platform, which is no longer distributed or supported. Server 2 will be replaced by a new server received in January 2008.

**5.4. Activate classroom computers currently disconnected and incorporate into the student curriculum.**

**Person(s) responsible:** Principal, Assistant Principals, Computer Specialists

**Management Response:** The Principal directed the School-site Computer Specialists to reconnect any computer not in use.

The Administrative Team conducted a walk-through of the facilities on October 24<sup>th</sup> to ensure that all computer stations were reconnected and restored for educational use.

The computers in the Parent Resource Center have been installed and are functional.

Quarterly administration walk-through will be conducted to ensure follow up.

**5.5. Survey the actual needs of the school and surplus excess equipment immediately. Where surplus equipment was funded through Title I, prior approval should be obtained from the Title I Administration office.**

**Person(s) responsible:** Principal, Computer Specialists

**Management Response:** The Technology Team formulated a deployment plan for the placement of additional printers and CPU's in Language Arts, Mathematics and Science classrooms with timeline prior to the end of the first semester. All printers that were boxed have been placed and installed.

Equipment identified for disposal will be surveyed, as it is broken and beyond repair.

**5.6. Relocate Title I funded equipment currently located in offices or not used for Title I related curriculum/activities into classrooms for appropriate student academic use.**

**Person(s) responsible:** Principal, Assistant Principal, Computer Specialists

**Management Response:** The Title I equipment formerly located in the office has been moved into the Title I Reading Resource Classroom. All placement of Title I equipment will be coordinated by the Technology Team. Placement in appropriate classrooms will be monitored by the Principal.

**5.7. Identify Title I equipment with Title I labels and safeguard equipment to prevent loss and theft.**

**Person(s) responsible:** Principal, Assistant Principals, Computer Specialists, Community Involvement Specialist

**Management Response:** All Title I equipment has been appropriately labeled. The administrative team conducted a walk-through on October 24, 2008. Bi-annual Title I in-house property reviews will be conducted and results will be reviewed by the Administrative Team to ensure that all Title I equipment is properly identified.

**5.8. Ensure that Title I expenditures are posted to the proper budgetary structure.**

**Person(s) responsible:** Principal , Principal's Secretary

**Management Response:** The Principal has reviewed all Title I budgetary structures with the purchasing clerks and amended the 2008-2009 Title I budget to include appropriate budgetary structures (capitalized/non capitalized software) to ensure that these types of expenditures will be properly charged to equipment and software accounts.

The Principal will meet periodically with the purchasing clerks to review transaction registers and ensure expenditures are posted to the proper accounts.

**6. Inadequate Filing System Records  
Maintained By The Community  
Involvement Specialist (CIS)  
*John F. Kennedy Middle***

Pursuant to Section F of the *Title I Administration Handbook*, Community Involvement Specialists (CIS) are hired at the schools to facilitate the implementation and administration of Title I programs. Their main responsibility is to maintain a close relationship between the school, the parents and the community. Part of their duties includes maintaining the Parental Involvement Filing System, whose objective is to maintain adequate documentation of all parenting activities, as prescribed by Section 1118 of the *No Child Left Behind Act of 2001*. The documentation should include, among others: weekly schedules, calendar of parental activities, monthly school reports, telephone contact logs, records of home visits, and school-parent compacts.

A school-parent compact is the written agreement between the school and the parents to identify those activities that parents, the school, and the students will be responsible for and will undertake to improve student academic achievement. These must be maintained on file by the CIS.

At this school, we found that records maintained on file by the CIS were deficient. Specifically:

- 6.1. All parent compacts on file were incomplete. The compacts were not signed by the principal, and many failed to indicate the name of the school and/or the student. We sampled parent compacts from the current year and found a similar condition. These were completed and signed by the Principal at our request.
- 6.2. Weekly schedules after February 15, 2008 were not provided. Additionally, telephone logs were incomplete.

**RECOMMENDATIONS**

- 6.1. Review the parent compacts with the Community Involvement Specialist to ensure they are complete, signed and filed.**

**Person(s) responsible:**

**Principal**

**Management Response:** The Principal has received 95% of the parent compacts for signature completion as of October 23, 2008. The Community Involvement Specialist will make telephone contacts and/or home visits to obtain the parents' signatures on those compacts pending signatures. We expect that all compacts will be signed by the end of the 1<sup>st</sup> semester.

**6.2. Periodically meet with the CIS to review the adequacy and completeness of schedules, telephone logs, and documentation required on file.**

**Person(s) responsible:**

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

**Management Response:** A meeting was held with the Community Involvement Specialist (CIS) to discuss the guidelines for filing documents and preparing logs and monthly reports. Also, the Community Involvement Specialist was directed to include all parent meetings on the general school activities calendar. The Principal will monitor the monthly activities calendar as well as monthly Community Involvement Specialist logs.

**7. Inadequate Monitoring Of Title I  
Expenditures Resulted In  
Deficit Balances In Hourly  
And Overtime Payroll  
Accounts  
*North Twin Lakes Elementary***

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

Our review of payroll expenditures posted to Title I Schoolwide program accounts disclosed that hourly salary expenditures charged to the Hourly Employee account exceeded the budgeted amount by \$4,215. Aside from this hourly payroll, the school paid very minimal overtime under Title I; however, this expenditure was also processed without available funds. Ultimately, the school did not have available funds within this program to offset the deficit balance.

**RECOMMENDATION:**

- 7. We recommend that school administration and staff monitor account balances and request budget transfers, as needed, to cover total projected expenditures.**

**Person(s) responsible:**

**Principal, Assistant Principal,  
Principal's Secretary**

**Management Response:** The principal will review with the assistant principal and the principal's secretary the proper procedures for hiring personnel in Title I programs. No staff member will be processed with a Title I program number without the consent of the principal. This will further ensure that expenditures are charged to the correct program.

The principal will print and review Cliff Reports weekly and will monitor MSAF account balances to ensure that Title I accounts do not exceed the budgeted amounts. Transfers will be processed to cover deficits on a regular basis. No overtime will be authorized under Title I.

**8. Community Involvement  
Specialist (CIS) Duties  
Non-Compliant With  
Home Visitation  
Requirements  
*North Twin Lakes Elementary***

According to Section F of the *Title I Administration Handbook*, Community Involvement Specialists (CIS) are hired at the schools to facilitate the implementation and administration of Title I programs. Their main responsibility is to maintain a close relationship between the school, the parents and the community. In order to meet these objectives, clear cut guidelines have been established in regards to their duties and responsibilities. Pursuant to the guidelines, the CIS should engage between 70 to 80 percent of his/her time conducting home visits.

At this school, and contrary to the guidelines, the CIS conducted only one home visitation during the entire 2007-08 fiscal year. According to the staff, the former principal determined not to enforce the home visitation requirement based on personal safety concerns. Instead, the school provided several binders which filed documentation of the parental meetings that the CIS conducted at the school site throughout the year.

**RECOMMENDATIONS:**

- 8.1. Review the responsibilities of the Community Involvement Specialist with the appropriate staff to ensure an understanding of their duties and responsibilities.**

**Person(s) responsible:**

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

**Management Response:** The principal will review the programmatic requirements and the job description listed in the Title I Handbook with the community involvement specialist (CIS). The principal will meet with the CIS weekly to ensure that this employee carries out her duties within established procedures and guidelines.

- 8.2. Periodically meet with the CIS to monitor schedule of assignments and ensure that proper coverage of parental activities and home visitations is taking place.**

**Person(s) responsible:**

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

**Management Response:** The principal and assistant principal will review the schedule of assignments weekly to ensure that proper coverage of parental activities and home visits are taking place. The principal will monitor home visits on a daily basis to ensure that the community involvement specialist is making the required number of home visits. The principal will review and sign the CIS monthly log to ensure compliance prior to submission to Title I Administration.

## **FTE RECORDS AND PROCEDURES**

### **9. Recordkeeping Errors Over English Language Learners' (ELL) Student Records Resulted In Lapses With Requirements And Funding Disallowances *North Twin Lakes Elementary***

For the 2007-08 school year, guidelines and procedures for maintaining ELL student information were provided through the Division of Bilingual Education and World Languages memoranda, the *District LEP Plan* and *Procedures Manual 2005*.

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

A review of a sample of 25 student cumulative folders disclosed the following discrepancies in 14 student folders (56%):

- 9.1. Ten Home Language Surveys [FM-5196] were not properly completed. Most were missing a date.
- 9.2. Two Notice to Parents/Guardians of Limited English Proficient (LEP) Students [FM-6576] were not on file.
- 9.3. Two Individual ELL/LEP Student Plans [FM-4649] were not properly completed. Specifically, test information from LEP Plan and testing materials did not agree.
- 9.4. For one student, there was no supporting documentation on file to indicate that testing had been conducted in a timely manner.

Pursuant to our potential loss calculations, the findings stated above generated a potential loss of \$2,195 in FTE funding to the school.

## RECOMMENDATION

9. The ESOL staff should strengthen the review of ELL Program Record Folders to ensure that forms are accurate, properly completed and filed immediately after the information is entered into ISIS. Improvements over this review process should reduce the probability of being out of compliance with ELL funding criteria and the possibility of funding disallowances due to documentation errors and omissions.

**Person(s) responsible:** Principal, Assistant Principal, Office Assistant,  
Registrar, Counselor, ESOL Chairperson,  
ESOL Teacher

**Management Response:** In order to ensure compliance with ELL funding criteria, the principal will strengthen the review of the ELL Program Record Folders to ensure that forms are accurate, properly completed and filed after information is entered into ISIS.

A school generated checklist will be utilized to cross reference all sections of the ELL Program to ensure compliance. The principal will meet with select staff members to establish a procedure to ensure ELL program compliance.

The office assistant will not accept a Home Language Survey (FM-5196) from the parent of a new student until the date the student enrolls. This will ensure that the dates match with registration documents. The office assistant will check the dates, the language of parents and students, parent signatures and the three questions that must be answered on the survey. The office assistant will transmit the Home Language Survey to the registrar.

The registrar will notify the guidance counselor to administer the Oral Language Proficiency (FM-5924) to those students who are new to Miami-Dade County Public School. The registrar will then enter the ELL level and other pertinent information into ISIS. For students new to North Twin Lakes Community School, but previously enrolled in another Miami-Dade County Public School, an immediate request will be initiated for the student's cumulative folder and the WLEP Plan.

The ELL chairperson will create a WLEP Plan (FM-4694) for new students and transfers from another school. The ELL chairperson will send the Notice to Parents/Guardians of Limited English Proficient Students (FM-6576). The ELL chairperson will further request the WLEP folder from the corresponding chairperson at the sending school. The ELL chairperson will print the J screen from ISIS to ensure that the information in ISIS matches the Home Language Survey. The ELL chairperson will ensure that all WLEP Plans are properly completed and the test information from the WLEP Plans corresponds to testing materials. The ELL chairperson will review all WLEP Plans on a regular basis to ensure that testing is conducted in a timely manner.

The assistant principal will review ELL related records with the ELL chairperson weekly. The principal will review ELL student records quarterly with select staff to further ensure ELL program compliance.

The Principal will continue to avail himself and his staff of training opportunities and assistance provided by the Office of Bilingual Education. The principal will monitor all aspects of Title I and ELL programs to ensure that the school is in compliance with established procedures.

**10. Discrepancies In Special Education Student  
Records Resulted In FTE Funding  
Disallowances  
Everglades K-8 Center**

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

The Matrix of Services form [FM-5582] is used to determine the cost factor for special education students based on the decisions made by the Individual Education Plan (IEP) Committee as documented on the IEP form [FM-4953]. According to the guidelines, if services do not change as a result of an IEP meeting and the matrix is less than three years old, the existing matrix may be reviewed. If services change, a new matrix must be completed.

A review of a sample of 30 special education (SPED) folders, which included nine gifted, revealed the following discrepancies:

- 10.1. One student was categorized to receive funding in the amount of \$15,012 for the 2007-08 fiscal year; however, according to the Matrix of Services form corresponding to the IEP form in effect for the October 2007 and February 2008 survey periods, the student was eligible to receive funding in the amount of \$4,340. At our request, an amendment to the Department of Education Correction System (DECO) was required for surveys 2 and 3 in the amount of \$10,672. However, at the time of our audit, the deadline for DECO amendments corresponding to survey period 2 had already expired and only one-half of the adjustment was processed. Regarding the student's records, the corresponding Matrix of Services form was not filed in the folder. During the audit, we located and obtained a copy of the form that was filed in the Web Interface for Special Educators (WISE) (online) system.
- 10.2. In one other instance, the IEP form and the corresponding Matrix of Services form did not agree. Specifically, the related services listed on the IEP were not indicated on the Matrix of Services' *Areas of Eligibility* section. Pursuant to our calculations, this error generated a potential funding loss disallowance of \$5,336.
- 10.3. Other instances of lapses in compliance with process requirements included a Matrix of Services form that was not dated to show that it had been reviewed as of the Interim IEP date (two instances), or where the *Special Consideration* section was incorrectly calculated (one instance); and a parent who attended the Interim IEP conference, but the Notice of Meeting [FM-4851] was not filed in the student's folder (one instance). In all four cases, the errors did not generate funding disallowances because the individual student level of funding remained unchanged.

## RECOMMENDATION

10. Ensure that all SPED folders contain current IEPs and Matrix of Services forms which have been properly completed, reviewed and updated. The Special Education staff should review the students' cumulative folders and determine that forms such as IEPs, EP's, Matrix of Services, etc., are accurate and filed immediately after the information is entered into Integrated Student Information System (ISIS). This coordinated effort should reduce the probability of being out of compliance and the consequential funding disallowances that may result from documentation errors/omissions.

**Person(s) responsible:** Principal, Assistant Principal (LEA),  
SPED Program Specialist

**Management Response:** In order to ensure that all SPED cumulative folders contain current IEPs, EPs, and Matrix of Services forms which have been properly completed, reviewed, and updated, the principal has implemented the following immediate corrective actions and strategies:

The principal designated the assistant principal as the Local Education Agency (LEA) representative at the beginning of the 2008-2009 school year and met with the LEA, SPED Program Specialist and SPED teachers to address procedures and monitoring strategies required to ensure compliance with SPED guidelines. In addition, the principal reviewed the *Matrix of Services Handbook 2004 Revised Edition* with the LEA, SPED Program Specialist, and SPED teachers to ensure understanding and compliance with all aspects of the Matrix of Services document [FM-5582].

The principal directed staff to review the SPED records. Utilizing the SPED Standards Record Review form [FM-7069], designated SPED teachers performed a self-audit of all SPED student cumulative folders at Everglades K-8 Center to ensure that all SPED records are in compliance. As part of this process, the designated SPED teachers will ensure that parents were notified of all applicable meetings using the Notification of Meeting form and that the signed original of the form is attached to the IEP.

The LEA reviewed each Matrix of Services form to ensure its accuracy and compared it with the IEP to ensure that the information on both forms is in agreement. In the event that a SPED record was found to be out of compliance, the cause of the error was determined, and corrective action based on approved practices was taken.

Preventative strategies that were immediately implemented to ensure that all SPED folders contain current IEPs, EPs, and Matrix of Services forms which have been properly completed, reviewed, and updated include the following:

Immediately following initial staffings and IEP/EP Conferences, the school will utilize the SPED Standards Record Review Form [FM-7069] to ensure that SPED folders are in compliance with SPED guidelines before they are filed. The LEA will be solely responsible for the preparation of the Matrix of Services forms to ensure that each SPED student's Matrix of Services is accurately prepared and in agreement with the Individual Educational Plan [FM-4953]. The LEA will make sure that the Special Consideration Section of the Matrix of Services forms is appropriate for each student and correctly calculated. The accuracy of calculations will be verified as part of the Matrix of Services review process.

The Program Specialist will be responsible for entering all data from the Student Services/ESE Services Data Input Sheet [FM-6487]. The LEA will verify that data entered in ISIS matches the information reflected on the data entry form. Any discrepancies will be discussed and immediately corrected. Upon this verification, the Program Specialist will be directed to immediately file the SPED folder in the appropriate student cumulative folder.

The principal and assistant principal will conduct quarterly mini-reviews along with the South Central Regional Center SWAT team (comprised of Regional Center SPED personnel as well as SPED teachers from other schools in the Miami Coral Park Senior High School Feeder Pattern) and SPED teachers from our school to ensure future compliance with accepted SPED guidelines.

All SPED teachers will be provided professional development relating to SPED recordkeeping. The professional development will be conducted by in-house personnel every three months.

## **SCHOOL SITE IT SECURITY**

### **11. Inadequate IT Controls And Practices *John F. Kennedy Middle***

Based on our auditors' observations regarding equipment purchases and other technology-related areas, we performed our Information Technology review to fully assess the condition of the IT school site function.<sup>3</sup> We found that IT controls and practices were deficient as detailed below:

- 11.1. At least six administrative or teachers' computers randomly selected disclosed that none was password protected. Furthermore, one teacher's computer selected at random from one of the empty classrooms revealed that it was running the student electronic grade book application while unattended and not password protected.
- 11.2. The "*Authorized Applications for Employees by Locations*" report was not available for review at the time of this audit. The Principal signed it at our request.
- 11.3. A disaster recovery plan was not provided; and there was no evidence to demonstrate that ongoing data backup was available. Additionally, the School Based Technician (SBT) confirmed that data backups were not taking place.
- 11.4. The Principal had not reviewed the MDCPS Network Security Standards (NSS) with the SBTs.
- 11.5. A random review of 15 machines revealed the presence of non-standard, local administrator accounts.
- 11.6. LOCAL ADMINISTRATOR PASSWORD(s) were not on file.
- 11.7. There was no evidence of software license management or centralization, and the related records were disorganized.

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<sup>3</sup> This included the review of the evaluation document titled "School Site IT Security Audit Assessment" developed by the Office of Management and Compliance Audits, in collaboration with Information Technology Services (ITS). This self-assessment tool is completed every year by school sites to assess the quality of network security, compliance with the Network Security Standards (NSS), and district technology directives. Once completed, it is submitted to our office for review. 11 of the 21 items on the checklist completed and signed by the School Based Technician and the current Principal were found to be non-compliant.

- 11.8. External agency equipment connected to the MDCPS network was not compliant in regards to the Operating System (OS) or antivirus updates.
- 11.9. According to the District's management tool *BigFix*, 19 machines were not members of the DADESCHOOLS domain; 17 unauthorized installations of DEEP FREEZE software were present; and two PC-based machines did not have SOPHOS antivirus installed. In addition, physical inspection and interviews with the SBT revealed that several MAC computers capable of joining the domain had not been bound.

## **RECOMMENDATIONS**

- 11.1. Create a group policy that will enforce “screen saver time-out” password protection throughout the network.**

**Person(s) responsible:**

**Principal, Computer Specialists**

**Management Response:** The Computer Specialists implemented a screen saver time-out password after five minutes through the server. This task was completed on October 20, 2008.

No additional computers will be added without the screen saver time-out password feature.

- 11.2. Print the “Authorized Applications for Employees by Locations” report (ITS product number T0802E0101), review for proper staff authorizations, sign (by the Principal), and maintain on file for audit purposes.**

**Person(s) responsible:**

**Principal**

**Management Response:** The Principal reviewed and signed a RACF Report at the request of the auditors on October 2, 2008. This process will take place on a monthly basis.

- 11.3. Develop and document a disaster recover plan. Also develop and implement a backup routine to provide recourse in the event of unexpected data loss.**

**Person(s) responsible:**

**Principal, Computer Specialists**

**Management Response:** The Backup server has been re-activated and will run a scheduled backup on a bi-weekly schedule. The software will be purchased and installed prior to the end of the 1<sup>st</sup> semester in order to complete remote scheduled backups. The Lead Computer Specialist will be responsible for overseeing this process. The Computer Specialist will order appropriate software, with input from ITS regarding appropriate selections.

**11.4. Review the Network Security Standards (NSS) with the SBT(s) to ensure that both administrative staff and staff directly responsible for maintaining technology infrastructure completely understand how to comply with district IT policies and directives.**

**Person(s) responsible:** Principal, Computer Specialists

**Management Response:** On October 24, 2008 the network security standards were reviewed with the Computer Specialist and Administrative Team.

Standards will be printed and posted in a prominent location and distributed to staff. An in-house pre-audit will be conducted on a bi-annual basis.

**11.5. All computers should be inspected to remove any non-standard local administrator accounts that may exist.**

**Person(s) responsible:** Principal, Computer Specialists

**Management Response:** All non-standard local administrator accounts will be removed remotely to the greatest extent possible. A list will be generated of all remaining non-compliant computers and Computer Specialists will address for corrective action by October 31<sup>st</sup>, 2008.

**11.6. LOCAL ADMINISTRATOR PASSWORD(S) should be kept on file, updated if changed and the location of the file made available to administrative staff for retrieval if necessary.**

**Person(s) responsible:** Principal, Assistant Principals, Computer Specialists

**Management Response:** Local Administrator passwords are in the Principal's possession and Assistant Principals are aware of their location. This was completed on October 6, 2008.

**11.7. Designate a staff member to coordinate, centralize, and bring software licensing into compliance.**

**Person(s) responsible:** Principal

**Management Response:** The current file was moved to the office of the Principal's Secretary. The binder of licenses will be controlled only by the Principal's Secretary/Title I Purchasing Clerk.

**11.8. Review and bring into compliance with NSS all computers connected to the MDCPS network within the John T. McDonald Clinic currently housed on campus.**

**Person(s) responsible:** Principal, Assistant Principals, Computer Specialists  
Community Involvement Specialist

**Management Response:** The Principal will direct the Computer Specialists to ensure that all computers in John T. McDonald clinic are in compliance with Miami-Dade County Public Schools' operating systems and antivirus protocol. No follow-up is required once compliance is met in this area.

**11.9. All computers capable of being joined or bound should be made members of the DADESCHOOLS domain immediately. To comply with Weekly Briefing #4287, all installations of DEEP FREEZE software should be removed. Additionally, all computers should be reviewed to ensure the presence of district mandated antivirus software.**

**Person(s) responsible:** Principal, Computer Specialists

**Management Response:** All DEEP FREEZE software has been un-installed. The technicians will communicate with ITS to identify PC machines without District antivirus and remedy the situation.

The technicians have identified five Mac computers capable of joining the domain and completed the migration to dadeschools domain.

The technicians and the Principal will communicate with ITS in order to identify any other machines not yet migrated to the dadeschools domain.

## OBJECTIVES, SCOPE AND METHODOLOGY

The objectives of our audits were to:

- express an opinion on the internal fund financial statements of the schools for the fiscal year ended June 30, 2008, on the cash basis of accounting ;
- evaluate compliance by the schools with the policies and procedures prescribed in the *Manual of Internal Fund Accounting*;
- provide assurances regarding compliance with current payroll procedures, as well as compliance with the current purchasing credit card program procedures; and certain information technology controls;
- verify compliance by the schools with the policies and procedures prescribed by the *Manual of Property Control Procedures*, and determine the adequacy of controls over the safeguarding of property items with an individual cost of \$1,000 or more;
- evaluate compliance with the policies and procedures set forth by the *No Child Left Behind Act of 2001, Title I Program*, and the *Title I Administration Handbook*;
- ascertain compliance with State law, State Board of Education Rules, School Board Rules, manuals, directives and FTE reporting documentation procedures as they relate to student attendance, Special Education, English Language Learners, Cooperative Education and Teacher Certification;

While the scope of our audits generally covered operations during the period of July 1, 2007 through June 30, 2008, payroll, purchasing credit card transactions, and information technology controls included current periods. FTE audits covered the February 2008 survey period.

Our procedures were as follows:

- reviewed written policies, procedures, and School Board Rules;
- interviewed school staff and performed analytical analysis of account balances;
- examined, on a sample basis, transactions, processes, supporting documentation and records;
- performed 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. 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 generally accepted government auditing standards, with the exception of the continuing professional education requirement not followed by our property auditors.

Our audits also included an assessment of applicable internal controls and compliance with the requirements of School Board rules and related policies and procedures that would satisfy our audit objectives.

## BACKGROUND

### INTERNAL FUNDS

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

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

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

Prior to spending internal funds, schools invest their cash in designated depositories. Funds not used in the daily operations may be invested in the MDCPS-Money Market Pool Fund. The Fund's interest rate as of June 30, 2008 was 3.79%.

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

- ◆ Annual audits of internal funds are required by Section 1011.07, Florida Statutes, and State Board of Education Rule 6A-1.087
- ◆ Internal Funds are revenues generated from student activities at the school level which are not part of the school's budget process
- ◆ Each school administers their internal funds separately through an operational checking account, following District guidelines as established in the *Manual of Internal Fund Accounting*
- ◆ Banks for school funds must be approved by the School Board and certified by the State Treasurer
- ◆ Idle funds in the operational account may be invested to yield interest revenue in a savings account, certificate of deposit or in the MDCPS-Money Market Pool Fund
- ◆ At June 30, 2008, the MDCPS-Money Market Pool Fund's interest rate was 3.79%.

## PAYROLL

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

**Each school processes its own biweekly payrolls.** Timekeeping personnel enter the employees' time and attendance data, on a centralized information system. After the information is entered into the system, it is approved by the principal on-line. Subsequently, the payroll department reviews the information and processes the payroll. Once the checks/advice are printed, they are distributed throughout the District by Treasury Management.

## PROPERTY

At MDCPS, the management of property items must comply with the guidelines established in the *Manual of Property Control Procedures*. According to Chapter 274.02 of the Florida Statutes, a complete physical inventory of all property shall be taken annually, be compared with the property record, and discrepancies must be identified and reconciled. Accordingly, our office conducts yearly inventories at each school of all property items with an individual value of \$1,000 or more, the results of which are reported herein.

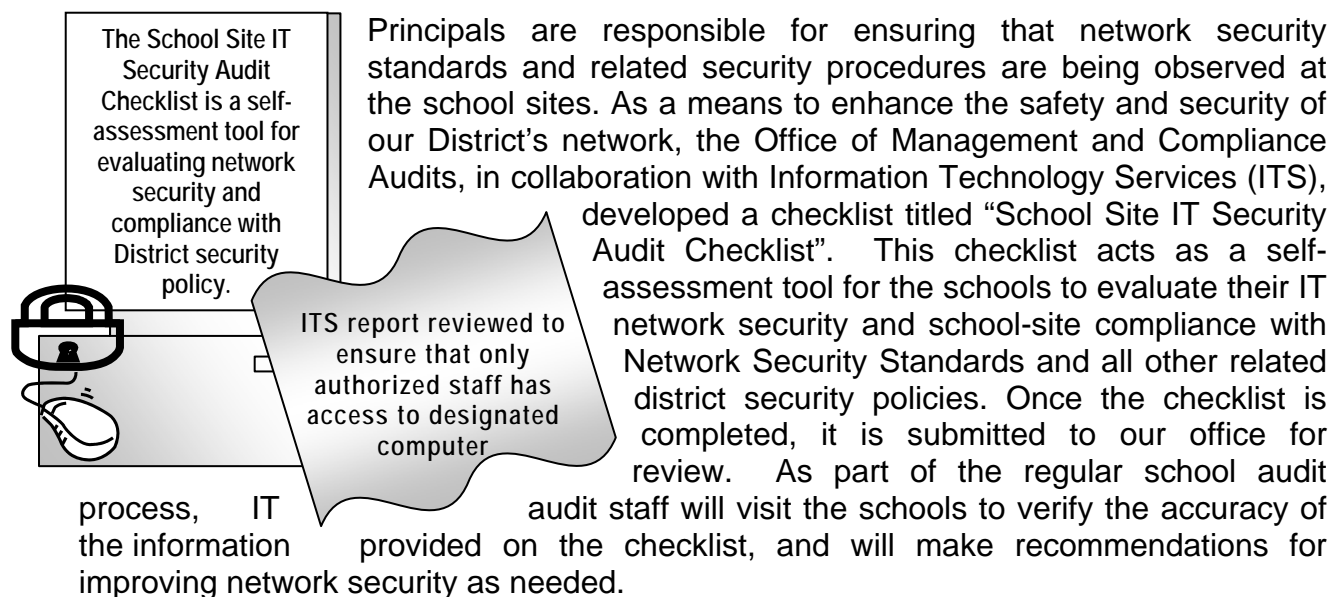
## PURCHASING CREDIT CARD (P-CARD) PROGRAM

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

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

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

## DATA SECURITY MANAGEMENT REPORT AND SCHOOL SITE IT SECURITY AUDIT CHECKLIST



Principals are also responsible for ensuring that only authorized school staff has access to designated computer applications. Information Technology Services (ITS) produces a quarterly report for each school location titled "Authorized Applications for Employees by Locations Report". Principals are responsible for reviewing this quarterly report to determine the appropriateness of computer applications approved for each school 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 at their schools.

### TITLE I PROGRAM

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

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

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

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

### **FULL-TIME EQUIVALENT (FTE)**

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

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

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

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

The results of these surveys are FTE reports which allow schools to verify the data and make corrections as needed. Once this process is completed, the district transmits the information to the FDOE. During the 2007-08 FY, months selected by the FDOE for these surveys are as follows:

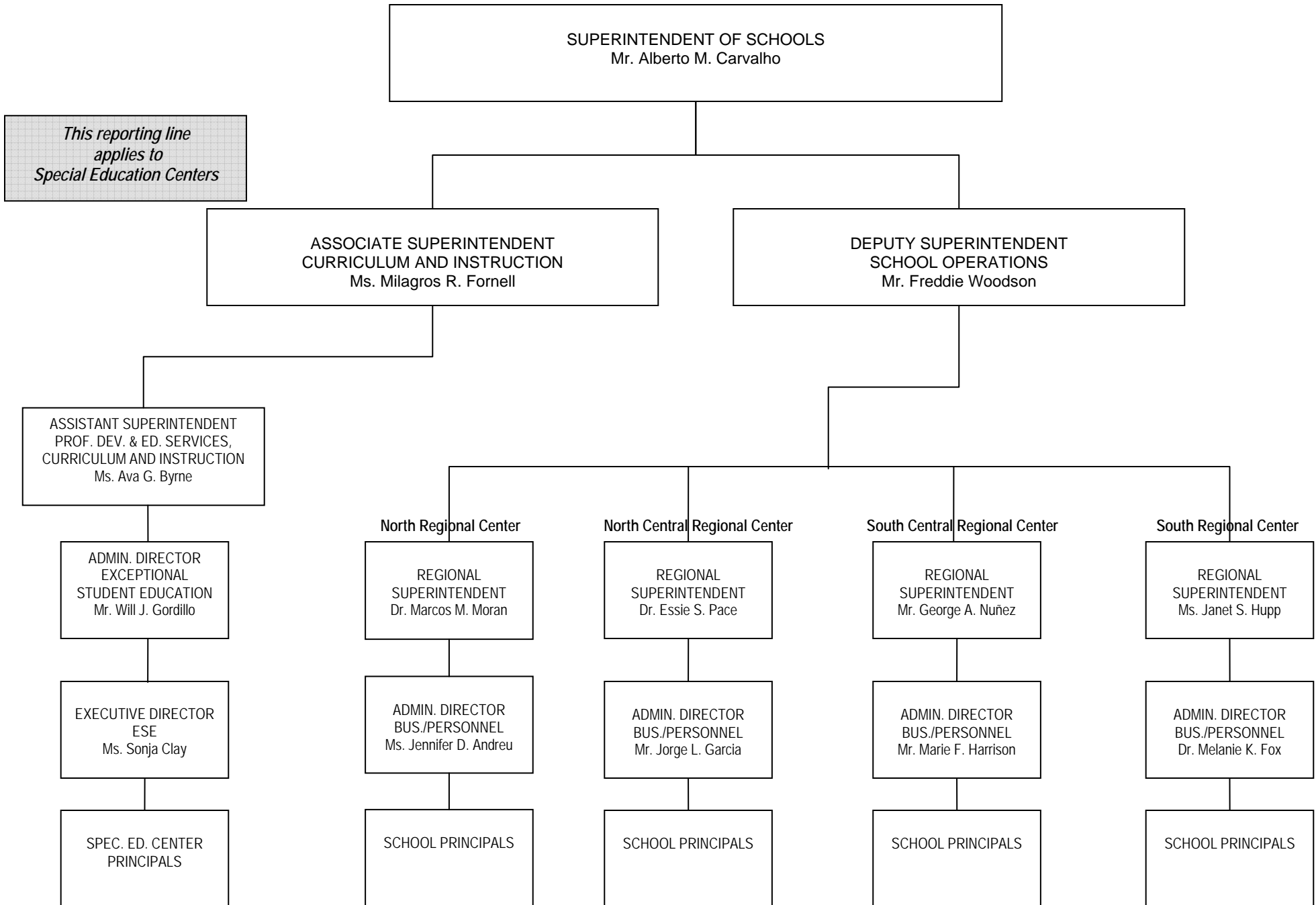
<b>Survey Period No.</b>	<b>Time Period of Survey</b>
1	July (Summer School only)
2	October
3	February
4	June (Summer School only)

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

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

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

# ORGANIZATIONAL CHART





## APPENDIX-MANAGEMENT'S RESPONSE

### MEMORANDUM

October 22, 2008

**TO:** Mr. Allen M. Vann, Chief Auditor  
Office of Management and Compliance Audits

**FROM:** Ms. Milagros R. Fornell, Temporary Regional Superintendent   
South Central Regional Center

**BY:** Dr. Doyleene N. Tarver, Principal   
Everglades K-8 Center

**SUBJECT:** ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF  
EVERGLADES K-8 CENTER

The purpose of this memorandum is to respond to the relevant findings cited in the audit report of Everglades K-8 Center dated October 2, 2008.

#### RECOMMENDATION

1. Ensure that all SPED folders contain current IEPs and Matrix of Services forms which have been properly completed, reviewed and updated. The Special Education staff should review the students' cumulative folders and determine that forms such as IEPs, EP's, Matrix of Services, etc., are accurate and filed immediately after the information is entered into Integrated Student Information System (ISIS). This coordinated effort should reduce the probability of being out of compliance and the consequential funding disallowances that may result from documentation errors/omissions.

Person(s) responsible: Principal, Assistant Principal (LEA),  
SPED Program Specialist

#### Management Response:

In order to ensure that all SPED cumulative folders contain current IEPs, EPs, and Matrix of Services forms which have been properly completed, reviewed, and updated, the principal has implemented the following immediate corrective actions and strategies:

The principal designated the assistant principal as the Local Education Agency (LEA) representative at the beginning of the 2008-2009 school year and met with the LEA, SPED Program Specialist and SPED teachers to address procedures and monitoring strategies required to ensure compliance with SPED guidelines. In addition, the principal reviewed the Matrix of Services Handbook 2004 Revised

## APPENDIX-MANAGEMENT'S RESPONSE

Edition with the LEA, SPED Program Specialist, and SPED teachers to ensure understanding and compliance with all aspects of the Matrix of Services document [FM-5582].

The principal directed staff to review the SPED records. Utilizing the SPED Standards Record Review form [FM-7069], designated SPED teachers performed a self-audit of all SPED student cumulative folders at Everglades K-8 Center to ensure that all SPED records are in compliance. As part of this process, the designated SPED teachers will ensure that parents were notified of all applicable meetings using the Notification of Meeting form and that the signed original of the form is attached to the IEP.

The LEA reviewed each Matrix of Services form to ensure its accuracy and compared it with the IEP to ensure that the information on both forms is in agreement. In the event that a SPED record was found to be out of compliance, the cause of the error was determined, and corrective action based on approved practices was taken.

Preventative strategies that were immediately implemented to ensure that all SPED folders contain current IEPs, EPs, and Matrix of Services forms which have been properly completed, reviewed, and updated include the following:

Immediately following initial staffings and IEP/EP Conferences, the school will utilize the SPED Standards Record Review Form [FM-7069] to ensure that SPED folders are in compliance with SPED guidelines before they are filed. The LEA will be solely responsible for the preparation of the Matrix of Services forms to ensure that each SPED student's Matrix of Services is accurately prepared and in agreement with the Individual Educational Plan [FM-4953]. The LEA will make sure that the Special Consideration Section of the Matrix of Services forms is appropriate for each student and correctly calculated. The accuracy of calculations will be verified as part of the Matrix of Services review process.

The Program Specialist will be responsible for entering all data from the Student Services/ESE Services Data Input Sheet [FM- 6487]. The LEA will verify that data entered in ISIS matches in information reflected on the data entry form. Any discrepancies will be discussed and immediately corrected. Upon this verification, the Program Specialist will be directed to immediately file the SPED folder in the appropriate student cumulative folder.

The principal and assistant principal will conduct quarterly mini-reviews along with the South Central Regional Center SWAT team (comprised of Regional Center SPED personnel as well as SPED teachers from other schools in the Miami Coral Park Senior High School Feeder Pattern) and SPED teachers from our school to ensure future compliance with accepted SPED guidelines.

## APPENDIX-MANAGEMENT'S RESPONSE

All SPED teachers will be provided professional development relating to SPED recordkeeping. The professional development will be conducted by in-house personnel every three months.

cc: Mr. George A. Núñez  
Marie Harrison, Administrative Director

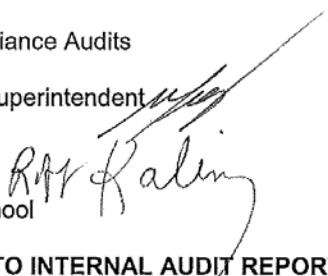
## APPENDIX-MANAGEMENT'S RESPONSE

### MEMORANDUM

October 20, 2008

**TO:** Mr. Allen M. Vann, Chief Auditor  
Office of Management and Compliance Audits

**FROM:** Dr. Marcos M. Moran, Regional Superintendent  
North Regional Center

**BY:** Mr. Robert L. Kalinsky, Principal   
North Twin Lakes Elementary School

**SUBJECT:** ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF  
NORTH TWIN LAKES ELEMENTARY SCHOOL

The current principal, Mr. Robert L. Kalinsky, was assigned to North Twin Lakes Community School July 1, 2008. Mr. Kalinsky requested an audit of internal funds, payroll, property, security access, FTE, ELL, and Title I. The findings occurred under the former principal, Ms A. Louise Harms.

Mr. Kalinsky has reviewed the findings with this administrator and has established procedures and controls in order to eliminate audit exceptions in the future. The following is a response to relevant findings in the school audit report of North Twin Lakes Elementary School.

### RECOMMENDATIONS

#### TITLE I PROGRAM-- Hourly Payroll Accounts

1. We recommend that school administration and staff monitor account balances and request budget transfers, as needed, to cover total projected expenditures.

**Person(s) responsible:** Principal, Assistant Principal, and Principal's Secretary

**Management Response:** The principal will review with the assistant principal and the principal's secretary the proper procedures for hiring personnel in Title I programs. No staff member will be processed with a Title I program number without the consent of the principal. This will further ensure that expenditures are charged to the correct program.

The principal will print and review Cliff Reports weekly and will monitor MSAF account balances to ensure that Title I accounts do not exceed the budgeted amounts. Transfers will be processed to cover deficits on a regular basis. No overtime will be authorized under Title I.

## APPENDIX-MANAGEMENT'S RESPONSE

### TITLE I PROGRAM-- Community Involvement Specialist

- 2.1. Review the responsibilities of the Community Involvement Specialist with the appropriate staff to ensure an understanding of their duties and responsibilities.

**Person(s) responsible:** Principal, Assistant Principal, Community Involvement Specialist

**Management Response:** The principal will review the programmatic requirements and the job description listed in the Title I Handbook with the community involvement specialist (CIS). The principal will meet with the CIS weekly to ensure that this employee carries out her duties within established procedures and guidelines.

- 2.2. Periodically meet with the CIS to monitor schedule of assignments and ensure that proper coverage of parental activities and home visitations is taking place.

**Person(s) responsible:** Principal, Assistant Principal, Community Involvement Specialist

**Management Response:** The principal and assistant principal will review the schedule of assignments weekly to ensure that proper coverage of parental activities and home visits are taking place. The principal will monitor home visits on a daily basis to ensure that the community involvement specialist is making the required number of home visits. The principal will review and sign the CIS monthly log to ensure compliance prior to submission to Title I Administration.

### FTE- ESOL Program Student Records

3. The ESOL staff should strengthen the review of ELL Program Record Folders to ensure that forms are accurate, properly completed and filed immediately after the information is entered into ISIS. Improvements over this review process should reduce the probability of being out of compliance with ELL funding criteria and the possibility of funding disallowances due to documentation errors and omissions.

**Person(s) responsible:** Principal, Assistant Principal, Office Assistant, Registrar, Counselor, ESOL Chairperson, ESOL Teacher

**Management Response:** In order to ensure compliance with ELL funding criteria, the principal will strengthen the review of the ELL Program Record Folders to ensure that forms are accurate, properly completed and filed after information is entered into ISIS. A school generated checklist will be utilized to cross reference all sections of the ELL Program to ensure compliance. The principal will meet with select staff members to establish a procedure to ensure ELL program compliance. The office assistant will not

## APPENDIX-MANAGEMENT'S RESPONSE

accept a Home Language Survey (FM-5196) from the parent of a new student until the date the student enrolls. This will ensure that the dates match with registration documents. The office assistant will check the dates, the language of parents and students, parent signatures and the three questions that must be answered on the survey. The office assistant will transmit the Home Language Survey to the registrar. The registrar will notify the guidance counselor to administer the Oral Language Proficiency (FM-5924) to those students who are new to Miami-Dade County Public School. The registrar will then enter the ELL level and other pertinent information into ISIS. For students new to North Twin Lakes Community School, but previously enrolled in another Miami-Dade County Public School, an immediate request will be initiated for the student's cumulative folder and the WLEP Plan. The ELL chairperson will create a WLEP Plan (FM- 4694) for new students and transfers from another school. The ELL chairperson will send the Notice to Parents/Guardians of Limited English Proficient Students (FM – 6576). The ELL chairperson will further request the WLEP folder from the corresponding chairperson at the sending school. The ELL chairperson will print the J screen from ISIS to ensure that the information in ISIS matches the Home Language Survey.

The ELL chairperson will ensure that all WLEP Plans are properly completed and the test information from the WLEP Plans corresponds to testing materials. The ELL chairperson will review all WLEP Plans on a regular basis to ensure that testing is conducted in a timely manner.

The assistant principal will review ELL related records with the ELL chairperson weekly. The principal will review ELL student records quarterly with select staff to further ensure ELL program compliance. The Principal will continue to avail himself and his staff of training opportunities and assistance provided by the Office of Bilingual Education.

The principal will monitor all aspects of Title I and ELL programs to ensure that the school is in compliance with established procedures.

If any further information regarding the above actions is needed, the principal of North Twin Lakes Elementary School, Mr. Robert Kalinsky, may be contacted at (305) 822-0721.

cc: Mr. George A. Núñez  
Ms. Jennifer D. Andreu  
Mr. Richard M. Vidal  
Ms. Gretchen H. Williams  
Ms. A. Louise Harms

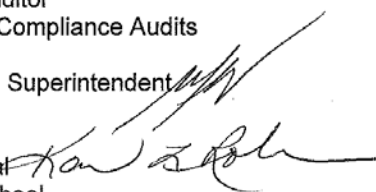
## APPENDIX-MANAGEMENT'S RESPONSE

### MEMORANDUM

October 21, 2008

**TO:** Mr. Allen M. Vann, Chief Auditor  
Office of Management and Compliance Audits

**FROM:** Marcos M. Moran, Regional Superintendent  
North Regional Center

**BY:** Karen L. Robinson, Principal   
John F. Kennedy Middle School

**SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF  
JOHN F. KENNEDY MIDDLE SCHOOL**

The following are responses to each individual finding cited in the school audit report for John F. Kennedy Middle School:

The Principal convened a meeting with the Assistant Principal, computer specialists and Community Involvement Specialist to review the audit findings. Issues discussed included Title I, IT security, and District Network Security Standards. New processes have been implemented at the school to ensure future compliance with Title I and IT requirements.

Effective this year, the Principal established a Technology Team at the school comprised of the Assistant Principals and Computer Specialists that will be reporting to the Principal. The team will meet on the second Friday of each month with Ms. Mary Kate Parton, Assistant Principal and on the fourth Friday of the month with Ms. Karen L. Robinson, Principal. The purpose of the meetings is to ensure compliance with Title I/IT network security requirements.

### RECOMMENDATIONS

#### TITLE I PROGRAM—IT Equipment Purchases

- 1.1. Limit the use of Title I funds to only those purchases necessary to fulfill the school program's needs. This requires better planning for the use of budgeted funds to prevent unnecessary spending.

**Person(s) responsible:**

**Principal**

**Management Response:**

The Principal developed a plan for 2008 – 2009 for the use of budgeted Title I funds.

## APPENDIX-MANAGEMENT'S RESPONSE

The plan includes an increase in personnel expenditures with a corresponding reduction in capitalized/non-capitalized hardware objects. All expenditures will be periodically monitored by the administrative team and Principal's Secretary.

The Principal's Secretary will maintain a binder with all Title I Purchase Orders. All receipt of goods will be controlled by the Lead Computer Specialist. The administration will review the expenditures, via Cliff Reports, at bi-monthly Technology Team meetings.

**1.2. Limit printer toner purchases based on utilization needs of Title I curriculum and prevent shelf-life expiration.**

**Person(s) responsible:** Principal, Computer Specialists

**Management Response:**

The Principal met with the Technology Team to review current printer/toner inventory and ensure the utilization of these materials before further purchases. ITS Heat Tickets will be generated by teachers requiring replacement cartridges, with Heat Tickets providing usage data to be used in generating quarterly usage/monitor reports.

**1.3. Surplus excess server equipment and ensure that operational servers are in good working order.**

**Person(s) responsible:** Principal, Computer Specialists

**Management Response:**

The Technology Team met to discuss the server situation. Server 1, previously shut down, is the backup server. It is currently operational and it will be left on from this day forward.

Server 2 is no longer operational. It is obsolete, working under an antique Windows NT platform, which is no longer distributed or supported. Server 2 will be replaced by a new server received in January 2008.

**1.4. Activate classroom computers currently disconnected and incorporate into the student curriculum.**

**Person(s) responsible:** Principal, Assistant Principals, Computer Specialists

**Management Response:**

The Principal directed the School-site Computer Specialists to reconnect any computer not in use.

## APPENDIX-MANAGEMENT'S RESPONSE

The Administrative Team conducted a walk-through of the facilities on October 24<sup>th</sup> to ensure that all computer stations were reconnected and restored for educational use.

The computers in the Parent Resource Center have been installed and are functional.

Quarterly administration walk-through will be conducted to ensure follow up.

- 1.5. Survey the actual needs of the school and surplus excess equipment immediately. Where surplus equipment was funded through Title I, prior approval should be obtained from the Title I Administration office.**

**Person(s) responsible:** Principal, Computer Specialists

**Management Response:**

The Technology Team formulated a deployment plan for the placement of additional printers and CPU's in Language Arts, Mathematics and Science classrooms with timeline prior to the end of the first semester. All printers that were boxed have been placed and installed.

Equipment identified for disposal will be surveyed, as it is broken and beyond repair.

- 1.6. Relocate Title I funded equipment currently located in offices or not used for Title I related curriculum/activities into classrooms for appropriate student academic use.**

**Person(s) responsible:** Principal, Assistant Principal, Computer Specialists

**Management Response:**

The Title I equipment formerly located in the office has been moved into the Title I Reading Resource Classroom. All placement of Title I equipment will be coordinated by the Technology Team. Placement in appropriate classrooms will be monitored by the Principal.

- 1.7. Identify Title I equipment with Title I labels and safeguard equipment to prevent loss and theft.**

**Person(s) responsible:** Principal, Assistant Principals, Computer Specialists, Community Involvement Specialist

**Management Response:**

All Title I equipment has been appropriately labeled. The administrative team conducted a walk-through on October 24, 2008. Bi-annual Title I in-house property reviews will be conducted and results will be reviewed by the Administrative Team to ensure that all Title 1 equipment is properly identified.

## APPENDIX-MANAGEMENT'S RESPONSE

- 1.8. Ensure that Title I expenditures are posted to the proper budgetary structure.**

**Person(s) responsible:** Principal , Principal's Secretary

**Management Response:**

The Principal has reviewed all Title I budgetary structures with the purchasing clerks and amended the 2008-2009 Title I budget to include appropriate budgetary structures (capitalized/non capitalized software) to ensure that these types of expenditures will be properly charged to equipment and software accounts.

The Principal will meet periodically with the purchasing clerks to review transaction registers and ensure expenditures are posted to the proper accounts.

**IT CONTROLS AND PRACTICES—School Site IT Function**

- 2.1. Create a group policy that will enforce "screen saver time-out" password protection throughout the network.**

**Person(s) responsible:** Principal, Computer Specialists

**Management Response:**

The Computer Specialists implemented a screen saver time-out password after five minutes through the server. This task was completed on October 20, 2008.

No additional computers will be added without the screen saver time-out password feature.

- 2.2. Print the "Authorized Applications for Employees by Locations" report (ITS product number T0802E0101), review for proper staff authorizations, sign (by the Principal), and maintain on file for audit purposes.**

**Person(s) responsible:** Principal

**Management Response:**

The Principal reviewed and signed a RACF Report at the request of the auditors on October 2, 2008. This process will take place on a monthly basis.

- 2.3. Develop and document a disaster recover plan. Also develop and implement a backup routine to provide recourse in the event of unexpected data loss.**

## APPENDIX-MANAGEMENT'S RESPONSE

**Person(s) responsible:** Principal, Computer Specialists

**Management Response:**

The Backup server has been re-activated and will run a scheduled backup on a bi-weekly schedule. The software will be purchased and installed prior to the end of the 1<sup>st</sup> semester in order to complete remote scheduled backups. The Lead Computer Specialist will be responsible for overseeing this process. The Computer Specialist will order appropriate software, with input from ITS regarding appropriate selections.

- 2.4. Review the Network Security Standards (NSS) with the SBT(s) to ensure that both administrative staff and staff directly responsible for maintaining technology infrastructure completely understand how to comply with district IT policies and directives.**

**Person(s) responsible:** Principal, Computer Specialists

**Management Response:**

On October 24, 2008 the network security standards were reviewed with the Computer Specialist and Administrative Team.

Standards will be printed and posted in a prominent location and distributed to staff. An in-house pre-audit will be conducted on a bi-annual basis.

- 2.5. All computers should be inspected to remove any non-standard local administrator accounts that may exist.**

**Person(s) responsible:** Principal, Computer Specialists

**Management Response:**

All non-standard local administrator accounts will be removed remotely to the greatest extent possible. A list will be generated of all remaining non-compliant computers and Computer Specialists will address for corrective action by October 31<sup>st</sup>, 2008.

- 2.6. LOCAL ADMINISTRATOR PASSWORD(S) should be kept on file, updated if changed and the location of the file made available to administrative staff for retrieval if necessary.**

**Person(s) responsible:** Principal, Assistant Principals, Computer Specialists

## APPENDIX-MANAGEMENT'S RESPONSE

### Management Response:

Local Administrator passwords are in the Principal's possession and Assistant Principals are aware of their location. This was completed on October 6, 2008.

### 2.7. Designate a staff member to coordinate, centralize, and bring software licensing into compliance.

Person(s) responsible: Principal

### Management Response:

The current file was moved to the office of the Principal's Secretary. The binder of licenses will be controlled only by the Principal's Secretary/Title I Purchasing Clerk.

### 2.8. Review and bring into compliance with NSS all computers connected to the MDCPS network within the John T. McDonald Clinic currently housed on campus.

Person(s) responsible: Principal, Assistant Principals, Computer Specialists  
Community Involvement Specialist

### Management Response:

The Principal will direct the Computer Specialists to ensure that all computers in John T. McDonald clinic are in compliance with Miami-Dade County Public Schools' operating systems and antivirus protocol. No follow-up is required once compliance is met in this area.

### 2.9. All computers capable of being joined or bound should be made members of the DADESCHOOLS domain immediately. To comply with Weekly Briefing #4287, all installations of DEEP FREEZE software should be removed. Additionally, all computers should be reviewed to ensure the presence of district mandated antivirus software.

Person(s) responsible: Principal, Computer Specialists

### Management Response:

All DEEP FREEZE software has been un-installed. The technicians will communicate with ITS to identify PC machines without District antivirus and remedy the situation.

The technicians have identified five Mac computers capable of joining the domain and completed the migration to dadeschools domain.

## APPENDIX-MANAGEMENT'S RESPONSE

The technicians and the Principal will communicate with ITS in order to identify any other machines not yet migrated to the dadeschools domain.

### **TITLE I PROGRAM—Recordkeeping and Filing System**

- 3.1. Review the parent compacts with the Community Involvement Specialist to ensure they are complete, signed and filed.**

**Person(s) responsible:**

**Principal**

**Management Response:**

The Principal has received 95% of the parent compacts for signature completion as of October 23, 2008. The Community Involvement Specialist will make telephone contact and/or home visit to obtain the parents' signatures on those compacts pending signatures. We expect that all compacts will be signed by the end of the 1<sup>st</sup> semester.

- 3.2. Periodically meet with the CIS to review the adequacy and completeness of schedules, telephone logs, and documentation required on file.**

**Person(s) responsible:** Principal, Assistant Principal, Community Involvement Specialist

**Management Response:**

A meeting was held with the Community Involvement Specialist (CIS) to discuss the guidelines for filing documents and preparing logs and monthly reports. Also, the Community Involvement Specialist was directed to include all parent meetings on the general school activities calendar. The Principal will monitor the monthly activities calendar as well as monthly Community Involvement Specialist logs.

If any further information regarding the above actions is needed, the Principal of John F. Kennedy Middle, Ms. Karen Robinson may be contacted at 305-947-1451.


cc: Mr. Freddie Woodson  
Dr. Marcos Moran  
Ms. Jennifer D. Andreu  
Mr. Paul Greenfield


## APPENDIX-MANAGEMENT'S RESPONSE

### MEMORANDUM

November 7, 2008  
HHS/08-09/M#50  
HHS 305/822-1500

**TO:** Mr. Allen M. Vann, Chief Auditor  
Office of Management and Compliance Audits

**FROM:** Essie  Ace, Regional Superintendent  
North Central Regional Center

**BY:** Verena Cabrera, Principal   
Hialeah Senior High School

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

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

### RECOMMENDATIONS

#### INTERNAL FUNDS-DEPOSITS

**1.1. Strengthen the review of deposits, and monitor bank balances more frequently.**

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

**Management Response:** In order to ensure strict compliance with School Board policies and procedures regarding Internal Funds, the following corrective measures and preventive strategies have been instituted:

The principal met with the treasurer and the principal's designee and reviewed the Manual of Internal Fund Accounting, Section II, Chapter 2, outlining proper procedures for collection and depositing of monies.

The principal will review the bank reconciliation statements and checkbook monthly with the treasurer and the principal's designee to ensure documents are being properly processed and maintained.

The principal instructed the treasurer to review all deposit booklets and clearly identify with a mark all the Internal Funds booklets on hand for easy identification. She was also instructed to provide the Cafeteria Manager with any Food Service deposit booklets found in the Treasurer's office.

## APPENDIX-MANAGEMENT'S RESPONSE

The principal instructed the treasurer to ensure receipt of the validated deposit slips or confirmation document from the bank on a daily basis. She was also instructed to communicate to the Principal any instances when these forms are not being received at the school after a deposit has been sent.

The principal will review the bank reconciliation statements and checkbook frequently with the treasurer and the principal's designee to ensure documents are being properly processed and maintained.

### **1.2. Strengthen the controls over the inventory of receipt books.**

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

**Management Response:** In order to ensure strict compliance with School Board policies and procedures regarding Internal Funds, the following corrective measures and preventive strategies have been instituted:

The principal reviewed with staff involved in fundraising activities the proper procedures for the collection and deposit of monies, and the use of official receipt books.

The Treasurer has been instructed that sponsors must bring into the Treasurer's office the official receipt books, along with the monies collected, to verify that all monies receipted have been turned in, and that the MSAF receipts are being attached to the receipt books. In addition, she was instructed to collect from the sponsors the official receipt books immediately after the completion of the related fund-raising activities.

The principal instructed the treasurer to properly complete Form FM-0990, Serialized Forms and Ticket Distribution Log. In cases where teachers return a book with balance of unused receipts, the sequence will be indicated.

The principal's designee will monitor the assigned receipt books on a monthly basis to ensure that computer-generated receipts are being attached to the corresponding receipt books.

## **PAYROLL**

### **2.1. Review with staff the procedures for documenting the attendance on the Daily Payroll Attendance Sheets, and strengthen the overall review of payroll records.**

**Person(s) Responsible:** Principal, Principal's Designee, Payroll Clerk

**Management Response:** In order to ensure accurate monitoring and processing of payroll records, the following corrective measures and preventive strategies have been

## APPENDIX-MANAGEMENT'S RESPONSE

instituted:

As part of the Opening of Schools meeting, the principal reviewed payroll reporting procedures with the entire faculty and staff, emphasizing sign in/out procedures, completing leave cards, and submitting temporary duty forms prior to scheduled absences.

The principal has reviewed with the payroll clerk and principal's designee the Payroll Processing Procedures Manual focusing on the procedures to document, process, and approve payroll. A system was established to provide for the careful review of the Daily Payroll Attendance Sheet by both the payroll clerk and the principal or designee. This will ensure that all employees sign in/out on a daily basis and proper notations are made, i.e., "S" for sick, "A" for LWOP, etc., on the Daily Payroll Attendance Sheet, when employees are out of the building.

The principal met with the payroll clerk and principal's designee and discussed with them that staff should not be reported present when staff fails to sign in. Said staff member will be notified in writing of their failure to follow payroll procedures. Those instances where staff fails to submit a written explanation may require the reporting of leave without pay.

The principal or principal's designee will continue to review payroll procedures with all staff as detailed in the school's faculty/staff handbook and the Payroll Processing Procedures Manual. Particular emphasis will be placed upon areas of concern identified in the audit in order to prevent recurrence.

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

**Person(s) Responsible:** Principal, Principal's Designee, Payroll Clerk

**Management Response:** In order to ensure accurate monitoring and processing of payroll records, the following corrective measures and preventive strategies have been instituted:

The principal met with the payroll clerk and principal's designee and reviewed the Payroll Processing procedures Manual focusing on the procedures for documenting leave, especially when substitutes are required to cover instructional personnel.

The principal or designee will cross-reference the staff absentee list against the Temporary Instructors Daily Payroll Attendance Sheet to ensure accuracy.

### **PROPERTY MANAGEMENT**

## APPENDIX-MANAGEMENT'S RESPONSE

- 3.1. Ensure that staff and administration, particularly those in charge of property management, understand and are fully aware of the procedures for accounting for property; and strengthen the management of property items at the school.**

**Person(s) Responsible:** Principal, Principal's Designee, Microsystems Technician

**Management Response:** In order to ensure accurate monitoring of property control records, the following corrective measures and preventive strategies have been instituted:

The principal met with the Microsystems technician and principal's designee and reviewed the Manual of Property Control Procedures focusing on procedures for accounting for property.

Quarterly school site mini-audits will be conducted to monitor property inventory. . After each in-house inventory, the principal will meet with the Microsystems Technician and principal's designee to discuss the results. Any discrepancy will be immediately reported for proper follow-up and corrective action.

The principal will meet on November 18, 2008 to review proper property inventory procedures with the entire faculty and staff. The review will address the movement of property from one room to another, reporting procedures when property is found missing, as well as procedures for temporary off campus removal of property. A *Property Inventory Confirmation Form* (school site form) will be completed by all staff assigned to an identified room. This form will list all equipment assigned to the specific room and verified by employee signature in order to properly track property assigned to individual rooms on campus.

The server room (A212) where much of the technology equipment is stored, will be rekeyed giving access to only the principal and Microsystems technician. This will ensure better control for the distribution and security of property.

- 3.2. Ensure that forms required to document property taken off-campus have appropriate approvals and are maintained on file.**

**Person(s) Responsible:** Principal, Principal's Designee, Microsystems Technician

**Management Response:** In order to ensure accurate monitoring of property control records, the following corrective measures and preventive strategies have been instituted:

All documentation supporting property items temporarily used off-campus (Approval for Off-Campus Use of School Property [FM-2380]) or transferred to other locations (Outgoing Controlled Equipment [FM-1670]) must have the principal's approval and will be kept on file by the principal and reviewed on a quarterly basis to insure the

## APPENDIX-MANAGEMENT'S RESPONSE

paperwork is up to date and inventory can be accounted for. Any discrepancy will be immediately reported to the principal's designee for proper follow-up and corrective action.

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

cc: Mr. Freddie Woodson  
Mr. Jorge L. Garcia  
Ms. Gretchen Williams


## APPENDIX-MANAGEMENT'S RESPONSE

### MEMORANDUM

November 4, 2008

**TO:** Mr. Allen M. Vann, Chief Auditor  
Office of Management and Compliance Audits

**FROM:** Essie S. Pace, Regional Superintendent  
North Central Regional Center

**BY:** Eugene Butler, Jr., Principal   
Miami Central Senior High School

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

The following is submitted in response to the Internal Audit Report of Miami Central Senior High School. This administrator was assigned to the location as approved by the School Board on August 5, 2008.

### RECOMMENDATION

- 1.1. 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.

**Person(s) Responsible:** Principal, Principal's Designee, Lead Teacher

**Management Response:** In order to ensure that property control procedures will result in the proper location, control and safeguarding of all physical property, the principal has implemented the following corrective measures and preventive strategies:

The principal met with selected personnel, lead teacher and the principal's designee to review the Manual of Property Control Procedures and the corrective action plan. The lead teacher and the principal's designee have been assigned to manage the school's property, with oversight from the Principal.

The principal instructed all staff at the Faculty Meeting of September 30, 2008, to properly safeguard property located in their offices/classrooms. The staff was instructed to immediately report any discrepancy as related to property must be immediately reported to the principal's designee. Staff was also instructed to properly secure doors and windows as they exit classrooms or buildings. Failure to comply with stated procedures will result in progressive discipline as appropriate.

The lead teacher and principal's designee will investigate for immediate corrective action any item appearing as un-located. Losses resulting from theft, vandalism, etc.,

## APPENDIX-MANAGEMENT'S RESPONSE

will be reported to M-DCPS Schools Police and a Plant Security Report (Form FM-0366) will be properly processed to ensure the documentation of property inventory. Documentation of such losses will be maintained by the principal's secretary for audit purposes.

The locks and/or doors on identified locations throughout the school have been changed in an effort to better secure equipment located within these areas. Keys have been issued on a very restricted and controlled basis.

An in-house inventory of property will be conducted quarterly. The principal will meet on a monthly basis with the lead teacher and the principal's designee to review the property inventory controls and the corrective action procedures implemented. After each in-house inventory the principal will meet with the lead teacher and principal's designee to discuss the results. Adjustments to the plan will be made as needed to strength the management of property at the school.

**1.2. Ensure that the *entire school staff, especially those in charge of property management, understand and are fully aware of the procedures for accounting for property.***

**Person(s) Responsible:** Principal, Principal's Designee, Lead Teacher

**Management Response:** In order to ensure that property control procedures will result in the proper location, control and safeguarding of all physical property, the principal has implemented the following corrective measures and preventive strategies:

The principal met with the lead teacher and the designee to review the Manual of Property Control Procedures. Additionally, the audit report and this preventive plan was discussed and reviewed to ensure compliance with the implementation of strategies.

The principal will review established property management procedures with all staff at the monthly faculty/staff meetings. Specific areas of compliance will be reviewed during these meetings as outlined in the Manual of Property Control Procedures. Staff will be reminded to immediately report any property discrepancy to the administration.

**1.3. Strengthen the monitoring and accounting of property, and conduct in-house property inventories more frequently.**

**Person(s) Responsible:** Principal, Principal's Designee, Lead Teacher

**Management Response:** In order to ensure that property control procedures will result in the proper location, control and safeguarding of all physical property, the principal has implemented the following corrective measures and preventive strategies:

## APPENDIX-MANAGEMENT'S RESPONSE

The principal developed a management system to include a database of the school's inventory of property which identifies the physical location of each inventoried item. The principal instructed the lead teacher and designee to conduct monthly mini-audits to ensure the proper identification and location of all property. These in-house audits will be review by the principal and reported to the Regional Center.

A new surveillance system has been installed and three administrators have access to view the facility from their respective computers. The surveillance cameras are periodically checked by a security monitor and/or the A/V technician. Any suspicious activity as related to the movement of property, will be immediately reported to the lead teacher and principal's designee for investigation.

**1.4. Maintain complete documentation of any property that is surveyed or taken off-campus. Regarding off-campus property, frequently monitor to ensure their existence.**

**Person(s) Responsible:** Principal, Principal's Designee, Lead Teacher

**Management Response:** In order to ensure that property control procedures will result in the proper location, control and safeguarding of all physical property, the principal has implemented the following corrective measures and preventive strategies.

Property assigned to a staff member for off-site use must have the principal's approval and must be properly documented with the required off-campus forms (Form FM-2380). These forms will be verified during the quarterly mini-audits and monthly review meetings. Any discrepancy will be immediately reported to the principal's designee for proper follow-up and corrective action.

**1.5. Actively investigate any losses to determine cause, and revisit the action plan, as needed, to determine whether adjustments to the plan should be made.**

**Person(s) Responsible:** Principal, Principal's Designee, Lead Teacher

**Management Response:** In order to ensure that property control procedures will result in the proper location, control and safeguarding of all physical property, the principal has implemented the following corrective measures and preventive strategies.

The lead teacher and designee will investigate for immediate corrective action any item appearing as un-located. Losses resulting from theft, vandalism, etc., will be reported to M-DCPS Schools Police and a Plant Security Report (Form FM-0366) will be properly processed to ensure the documentation of property inventory. The property control action plan will be reviewed to ensure all identified strategies have been followed.

Adjustments to the plan will be made as needed.

## APPENDIX-MANAGEMENT'S RESPONSE

It is expected that after implementation of the above mentioned recommendations, the management of property and the safeguard of the valuable assets of the school will be much improved. This monitoring of the established action plan procedures will also ensure future property audits to have no un-located items.

cc: Mr. Freddie Woodson  
Mr. Jorge L. Garcia  
Ms. Gretchen H. Williams

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

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

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

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

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

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

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

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

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

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

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

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

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

*Veterans are provided re-employment rights in accordance with P.L. 93-508 (Federal Law) and Section 295.07 (Florida Statutes), which stipulate categorical preferences for employment.*

**INTERNAL AUDIT REPORT  
SELECTED SCHOOLS  
DECEMBER 2008**



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