



## Internal Audit Report



# North Central Regional Center Schools



*Financial Statements Were Fairly  
Stated And Schools Were  
Generally Compliant With The  
Procedures.*

December 2008

# THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

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Dr. Marta Pérez, Vice Chair  
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Mr. Alberto M. Carvalho  
Superintendent of Schools

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

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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. Lawrence S. Feldman*  
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*Dr. Wilbert "Tee" Holloway*  
*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 38 schools from the North Central Regional Center. The audit period was one year ended June 30, 2008.

Regarding the audits of schools from this regional center, previously in September 2008, we reported the audit results of 14 schools, which included FTE audits, two-year audits, a new school, and/or a change of principal. At this time and on a separate report, we are reporting the audit results of 13 additional schools from this regional center, whose audits were similarly conducted earlier this year as a result of a change of principal. We plan to report the audit results of the remaining 26 schools from this regional center at the next Audit Committee in January 2009.

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, FTE reporting and student records, and aspects of data security. The results of physical inventories of property are included for some of the schools. Those not reported herein are currently in progress, and results will be reported at a later date.

Our audits disclosed that the financial statements of the 38 schools reported herein were fairly stated. They also disclosed that, at all 38 schools, there was general compliance with prescribed policies and procedures, and site records were maintained in good order.

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

- ◆ **Audit Results Of 38 Schools From North Central Regional Center Included Herein**
- ◆ **14 Schools Previously Reported In September; While 13 Schools Reported In December 2008 Selected Report--  
*Schools With A Change Of Principal***
- ◆ **Remaining 26 Schools To Be Reported In January 2009.**

## EXECUTIVE SUMMARY

This report includes the audit results of 38 schools from the North Central Regional Center. The audit period was one year ended June 30, 2008.

Of the 91 schools currently reporting to this regional center and scheduled for audits this fiscal year, we reported the audit results of 14 schools in September 2008. These audits were conducted earlier this fiscal year as a result of FTE audits that were conducted during the summer, two-year audits, a first-year audit at a new school, and/or schools that had a change of principal since the prior audit.

At this time and on a separate report (refer to the December 2008 Internal Audit Report-Selected Schools), we are also reporting the audit results of 13 other schools from this regional center whose audits were similarly conducted earlier this year as a result of a change of principal since the prior audit.

We plan to report the audit results of the remaining 26 schools from this regional center at the next Audit Committee in January 2009.

Regarding the 38 schools reported herein, our audits disclosed that their 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.

Our audits also disclosed that the schools were generally compliant with the prescribed policies and procedures, and their records were maintained in good order.

Any discrepancies found during the audits that were considered immaterial or inconsequential were nevertheless discussed with management for their information and follow-up.

*As of June 30, 2008*, for all 38 schools and centers reported herein, total combined receipts and disbursements amounted to \$3,724,588 and \$3,734,783 respectively; while total combined cash and investments amounted to \$820,614.

Also, 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.

## At-A-Glance Audit Results

- ◆ **At All 38 Schools, Financial Statements Fairly Stated**
- ◆ **Schools Fiscally Compliant With Policies And Procedures, And Records Maintained In Good Order**
- ◆ **During FY2007-08, 38 Schools Received And Disbursed \$3.72 M And \$3.73 M**
- ◆ **\$820.6K In Cash & Investments.**

## At-A-Glance Audit Results

- ◆ Internal Funds And Payroll Procedures Followed At All 38 Schools
- ◆ Property Inventories Reported For 10 Of 38 Schools
- ◆ Approximately \$6.4 M Inventoried
- ◆ Nine Of Ten Schools Generally Compliant With Property Procedures.

### **INTERNAL FUNDS**

All 38 schools included herein were in compliance with the procedures established in the *Manual of Internal Fund Accounting*.

### **PAYROLL**

At all 38 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.

### **PROPERTY**

Physical inventories of property items with an individual cost of \$1,000 or more were conducted at ten of the 38 schools in this report. Approximately \$6.4 million was inventoried at these schools. Inventories at the remaining schools are currently in progress and will be reported at a later date.

Property results indicated that nine of the ten schools reported herein were in compliance with property procedures. For the nine schools, “no unlocated” items were reported.



However, at David Lawrence, Jr. K-8 Center, two items with a total acquisition cost of \$3,846 and a depreciated value of \$2,587 were reported as “unlocated”.

Property losses reported through the Plant Security Report process also revealed two items with a total acquisition cost of \$2,062 and a depreciated value of \$1,588 reported missing at two schools. Refer to Property Schedules on pages 17-18.

**PURCHASING CREDIT CARD (P-CARD)**

We reviewed the P-Card Program’s procedures and records at the following eight schools:

- W. J. Bryan Elementary
- Miami Shores Elementary
- Miami Springs Elementary
- Morningside Elementary
- Natural Bridge Elementary
- Henry E. S. Reeves Elementary
- Madison Middle
- Ronald W. Reagan/Doral Senior

Our review disclosed that all eight schools listed above generally complied with the *Purchasing Credit Card Program Policies & Procedures Manual*. Minor discrepancies found during the audits were discussed with management for corrective action.

**At-A-Glance  
Audit Results**

- ◆ Two Inventoried Items Reported Missing At David Lawrence, Jr., K-8 Center. Minor Losses Also Reported Through Plant Security Report Process
  
- ◆ P-Card Program Procedures Reviewed At 8 Schools
  
- ◆ All 8 Schools Generally Compliant With P-Card Procedures.

## At-A-Glance Audit Results

- ◆ **Data Security: Access To Student Grade Changes Was Restricted To Principal, Assistant Principal, And Registrar At Schools**
  
- ◆ **FTE Audits At Three Schools: Morningside Elementary, Natural Bridge Elementary, And David Lawrence, Jr. K-8 Center**
  
- ◆ **Total Combined Funding Of Almost \$5 Million.**

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

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

- Miami Springs Elementary
- Doral Middle
- Madison Middle
- Ronald W. Reagan/Doral Senior
- Miami Jackson Adult Education Center

Our review disclosed that all schools generally complied with the review of the report and with the requirements for granting access to system applications. Minor discrepancies found during the IT reviews were discussed with the principals for immediate corrective action.

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

The following three schools were selected for these audits:

School	FTE Funding Reported
Morningside Elementary	\$ 938,026
Natural Bridge Elementary	1,450,703
David Lawrence, Jr. K-8 Ctr.	2,565,858
<b>Total FTE Funding</b>	<b>\$ 4,954,587</b>

The total FTE funding amounted to approximately \$5 million for all three schools combined. The scope of our FTE reviews consisted of the 2007-08 fiscal year Survey Period 3 (February 2008 FTE activity).

Our reviews disclosed that all three schools were generally compliant with District policy. Any discrepancies found during the reviews that were deemed immaterial for reporting purposes were nevertheless discussed with school management for corrective action.

#### **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 38 schools included herein*. It also provides the audit opinion regarding the schools' financial statements:

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

- ◆ 2007-08, Survey Period 3 Records Reviewed
- ◆ All Three Schools Generally Compliant
- ◆ The Table That Follows Summarizes Financial Statements And Provides An Unqualified Audit Opinion For All 38 Schools Reported Herein.

**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
Maya Angelou Elementary	\$ 9,994.17	\$ 35,052.86	\$ 34,197.71	\$ 10,849.32	\$ 8,048.77	\$ 2,800.55	-	\$ 10,849.32
Arcola Lake Elementary	14,241.05	36,406.98	40,903.99	9,744.04	1,823.07	7,920.97	-	9,744.04
Biscayne Gardens Elementary	8,774.11	45,205.95	40,520.98	13,459.08	9,036.28	4,422.80	-	13,459.08
Van E. Blanton Elementary	10,338.46	37,157.72	34,160.92	13,335.26	9,703.04	3,632.22	-	13,335.26
Broadmoor Elementary	19,155.50	22,314.58	24,944.72	16,525.36	2,942.79	13,582.57	-	16,525.36
W. J. Bryan Elementary	20,899.42	106,973.65	108,055.83	19,817.24	4,147.62	15,669.62	-	19,817.24
Comstock Elementary	32,967.58	39,548.03	52,139.88	20,375.73	9,404.63	10,971.10	-	20,375.73
Amelia Earhart Elementary	20,105.24	134,422.42	131,714.71	22,812.95	6,301.85	16,511.10	-	22,812.95
Edison Park Elementary	15,430.10	9,768.64	10,513.34	14,685.40	9,784.36	4,901.04	-	14,685.40
Flamingo Elementary	20,113.87	65,074.57	62,303.08	22,885.36	7,238.03	15,647.33	-	22,885.36
Benjamin Franklin Elementary	12,019.93	74,122.23	68,493.72	17,648.44	14,355.00	3,293.44	-	17,648.44
Lakeview Elementary	8,294.06	19,130.45	21,245.04	6,179.47	3,069.13	3,110.34	-	6,179.47

**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
David Lawrence, Jr. K-8 Center	23,382.30	302,393.59	301,638.87	24,137.02	24,137.02	-	-	24,137.02
Linda Lentin K-8 Center	16,110.99	107,146.77	108,834.00	14,423.76	10,507.97	3,915.79	-	14,423.76
Lorah Park Elementary	24,774.93	24,201.10	24,739.59	24,236.44	10,744.82	13,491.62	-	24,236.44
Toussaint L'ouverture Elementary	4,225.36	27,027.67	23,653.47	7,599.56	6,063.90	1,535.66	-	7,599.56
Dr. H. W. Mack/West Little River El.	12,326.35	11,792.40	11,093.63	13,025.12	8,024.48	5,000.64	-	13,025.12
Meadowlane Elementary	28,366.15	35,860.29	37,428.18	26,798.26	19,482.76	7,315.50	-	26,798.26
Miami Shores Elementary	18,284.19	198,052.76	196,279.49	20,057.46	15,686.21	4,371.25	-	20,057.46
Miami Springs Elementary	18,147.63	319,919.49	309,657.53	28,409.59	14,022.76	14,386.83	-	28,409.59
Morningside Elementary	15,465.43	34,686.78	40,536.51	9,615.70	2,998.30	6,617.40	-	9,615.70
Natural Bridge Elementary	17,442.35	27,722.23	31,585.02	13,579.56	6,993.35	6,586.21	-	13,579.56
North Hialeah Elementary	18,244.95	24,534.60	19,799.61	22,979.94	17,597.51	5,382.43	-	22,979.94
North Miami Elementary	20,166.42	41,858.49	45,486.38	16,538.53	7,949.32	8,589.21	-	16,538.53

**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
Oak Grove Elementary	20,677.18	184,349.07	195,930.43	9,095.82	84.78	-	\$ 9,011.04	9,095.82
Palm Springs Elementary	17,717.24	59,509.36	58,490.41	18,736.19	14,783.52	3,952.67	-	18,736.19
Kelsey L. Pharr Elementary	13,033.92	16,106.43	17,596.83	11,543.52	492.08	11,051.44	-	11,543.52
Henry E.S. Reeves Elementary	6,547.72	58,508.84	58,160.45	6,896.11	5,788.82	1,107.29	-	6,896.11
Lenora B. Smith Elementary	23,021.06	31,545.95	41,625.35	12,941.66	3,162.59	9,779.07	-	12,941.66
South Hialeah Elementary	16,952.68	302,345.17	301,835.49	17,462.36	3,126.05	14,336.31	-	17,462.36
Springview Elementary	14,905.20	223,276.54	216,525.53	21,656.21	16,820.01	4,836.20	-	21,656.21
Mae M. Walters Elementary	18,369.76	29,364.34	28,964.47	18,769.63	7,421.15	11,348.48	-	18,769.63
Doral Middle	35,380.49	107,764.11	109,283.37	33,861.23	22,133.74	11,727.49	-	33,861.23
Madison Middle	19,379.25	31,650.43	29,593.95	21,435.73	8,165.09	13,270.64	-	21,435.73
Miami Edison Middle	24,129.56	43,038.97	51,648.21	15,520.32	1,882.37	13,637.95	-	15,520.32
Ronald W. Reagan/ Doral Senior High	75,291.30	506,411.37	506,997.87	74,704.80	44,085.76	30,619.04	-	74,704.80

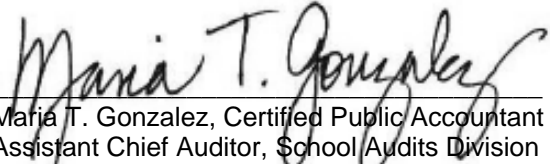
**CONDENSED ANNUAL FINANCIAL REPORTS  
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2008**

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
Hialeah Adult Education Center	115,802.28	299,283.86	292,218.43	122,867.71	36,401.07	66,466.64	20,000.00	122,867.71
Miami Jackson Adult Education Center	20,330.60	51,059.53	45,985.72	25,404.41	14,330.37	11,074.04	-	25,404.41
<b>Totals</b>	<b>\$ 830,808.78</b>	<b>\$ 3,724,588.22</b>	<b>\$ 3,734,782.71</b>	<b>\$ 820,614.29</b>	<b>\$ 408,740.37</b>	<b>\$382,862.88</b>	<b>\$29,011.04</b>	<b>\$ 820,614.29</b>

**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, on the cash basis of accounting. As of June 30, 2008, total combined receipts and disbursements amounted to \$3,724,588 and \$3,734,783 respectively; while total combined cash and investments amounted to \$820,614.

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. 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/ CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Maya Angelou Elementary	✓			✓			Not Likely to impact
Arcola Lake Elementary	✓			✓			Not Likely to impact
Biscayne Gardens El.	✓			✓			Not Likely to impact
Van E. Blanton Elementary	✓			✓			Not Likely to impact
Broadmoor Elementary	✓			✓			Not Likely to impact
W. J. Bryan Elementary	✓			✓			Not Likely to impact
Comstock Elementary	✓			✓			Not Likely to impact
Amelia Earhart Elementary	✓			✓			Not Likely to impact
Edison Park Elementary	✓			✓			Not Likely to impact
Flamingo Elementary	✓			✓			Not Likely to impact
Benjamin Franklin El.	✓			✓			Not Likely to impact
Lakeview Elementary	✓			✓			Not Likely to impact
David Lawrence, Jr. K-8 Center	✓			✓			Not Likely to impact
Linda Lentin K-8 Center	✓			✓			Not Likely to impact
Lorah Park Elementary	✓			✓			Not Likely to impact
Toussaint L'Ouverture Elementary	✓			✓			Not Likely to impact
Dr. H. W. Mack/West Little River El.	✓			✓			Not Likely to impact
Meadowlane Elementary	✓			✓			Not Likely to impact
Miami Shores Elementary	✓			✓			Not Likely to impact



## INTERNAL CONTROLS RATING

SCHOOLS/ CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Miami Springs Elementary	✓			✓			Not Likely to impact
Morningside Elementary	✓			✓			Not Likely to impact
Natural Bridge Elementary	✓			✓			Not Likely to impact
North Hialeah Elementary	✓			✓			Not Likely to impact
North Miami Elementary	✓			✓			Not Likely to impact
Oak Grove Elementary	✓			✓			Not Likely to impact
Palm Springs Elementary	✓			✓			Not Likely to impact
Kelsey L. Pharr Elementary	✓			✓			Not Likely to impact
Henry E. S. Reeves Elementary	✓			✓			Not Likely to impact
Lenora B. Smith Elementary	✓			✓			Not Likely to impact
South Hialeah Elementary	✓			✓			Not Likely to impact
Springview Elementary	✓			✓			Not Likely to impact
Mae M. Walters Elementary	✓			✓			Not Likely to impact
Doral Middle	✓			✓			Not Likely to impact
Madison Middle	✓			✓			Not Likely to impact
Miami Edison Middle	✓			✓			Not Likely to impact
Ronald W. Reagan/Doral Senior	✓			✓			Not Likely to impact
Hialeah Adult Ed. Center	✓			✓			Not Likely to impact
Miami Jackson Adult Ed. Center	✓			✓			Not Likely to impact

## SUMMARY SCHEDULE OF AUDIT FINDINGS

The following schedule illustrates current and prior audit findings per school:

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
0111	Maya Angelou Elementary	None		None	
0101	Arcola Lake Elementary	None		1	▪ Title I Payroll
0361	Biscayne Gardens Elementary	None		None	
0401	Van E. Blanton Elementary	None		None	
0521	Broadmoor Elementary	None		None	
0561	W. J. Bryan Elementary	None		None	
0881	Comstock Elementary	None		1	▪ Payroll
1521	Amelia Earhart Elementary	None		1	▪ FTE-ESE
1601	Edison Park Elementary	None		2	▪ FTE-ESE ▪ FTE-ELL
1921	Flamingo Elementary	None		None	
2041	Benjamin Franklin Elementary	None		None	
2821	Lakeview Elementary	None		None	
5005	David Lawrence, Jr. K-8 Center	None		None	
2911	Linda Lentin K-8 Center	None		None	
3041	Lorah Park Elementary	None		None	
3051	Toussaint L'Ouverture Elementary	None		None	
5861	Dr. H. W. Mack/West Little River El.	None		None	
3141	Meadowlane Elementary	None		None	
3341	Miami Shores Elementary	None		None	
3381	Miami Springs Elementary	None		None	
3501	Morningside Elementary	None		None	
3661	Natural Bridge Elementary	None		None	
3901	North Hialeah Elementary	None		None	

## 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
3941	North Miami Elementary	None		4	<ul style="list-style-type: none"> <li>▪ Title I Property</li> <li>▪ FTE-ESE</li> <li>▪ FTE-ELL</li> <li>▪ FTE-Teacher Certification</li> </ul>
4021	Oak Grove Elementary	None		None	
4261	Palm Springs Elementary	None		None	
4401	Kelsey L. Pharr Elementary	None		None	
4491	Henry E. S. Reeves Elementary	None		None	
0081	Lenora B. Smith Elementary	None		None	
5201	South Hialeah Elementary	None		None	
5361	Springview Elementary	None		None	
5711	Mae M. Walters Elementary	None		None	
6151	Doral Middle	None		None	
6391	Madison Middle	None		2	<ul style="list-style-type: none"> <li>▪ FTE-ESE</li> <li>▪ FTE-ELL</li> </ul>
6481	Miami Edison Middle	None		1	<ul style="list-style-type: none"> <li>▪ FTE-ESE</li> </ul>
7241	Ronald W. Reagan/Doral Senior	None		None	
7112	Hialeah Adult Ed. Center	None		None	
7342	Miami Jackson Adult Ed. Center	None		None	
TOTAL		None		12	

## LIST OF SCHOOL PRINCIPALS

Listed below are the names of the principals currently appointed at the schools reported herein:

Work Loc. No.	Schools	Current Principal
0111	Maya Angelou Elementary	Dr. Linda C. Whye
0101	Arcola Lake Elementary	Ms. Vanady A. Daniels
0361	Biscayne Gardens Elementary	Ms. Maria L. LaCavalla
0401	Van E. Blanton Elementary	Ms. Tangel D. Goa
0521	Broadmoor Elementary	Ms. Linda G. Klein
0561	W. J. Bryan Elementary	Ms. Milagros L. Maytin
0881	Comstock Elementary	Ms. Deborah A. Wilson
1521	Amelia Earhart Elementary	Dr. Ada B. Hernandez
1601	Edison Park Elementary	Ms. Carla Patrick
1921	Flamingo Elementary	Ms. Claudia V. James
2041	Benjamin Franklin Elementary	Ms. Mary A. Gil-Alonso
2821	Lakeview Elementary	Dr. Sharon R. Lewis
5005	David Lawrence, Jr. K-8 Center	Mr. Bernard L. Osborn
2911	Linda Lentin K-8 Center	Ms. Agenoria T. Powell
3041	Lorah Park Elementary	Ms. Mattye H. Jones
3051	Toussaint L'Ouverture Elementary	Dr. Liliane A. Delbor
5861	Dr. H. W. Mack/West Little River El.	Ms. Sandra V. Banky
3141	Meadowlane Elementary	Dr. Kevin P. Hart

## LIST OF SCHOOL PRINCIPALS

Work Loc. No.	Schools	Current Principal
3341	Miami Shores Elementary	Dr. Sherry L. Krubitch Ms. Yecenia M. Martinez-Lopez (Interim)
3381	Miami Springs Elementary	Ms. Sally M. Hutchings
3501	Morningside Elementary	Ms. Kathleen John-Louissaint
3661	Natural Bridge Elementary	Ms. Janice T. Hutson
3901	North Hialeah Elementary	Mr. John G. Schoeck
3941	North Miami Elementary	Ms. Debra L. Dubin
4021	Oak Grove Elementary	Mr. Steffond L. Cone
4261	Palm Springs Elementary	Ms. Roxana D. Herrera
4401	Kelsey L. Pharr Elementary	Dr. Sandra F. Clark
4491	Henry E. S. Reeves Elementary	Mr. Julian E. Gibbs
0081	Lenora B. Smith Elementary	Ms. Wanda R. Heidelberg
5201	South Hialeah Elementary	Dr. Julio T. Carrera
5361	Springview Elementary	Ms. Mayte M. Dovale
5711	Mae M. Walters Elementary	Ms. Yolanda L. Valls
6151	Doral Middle	Ms. Tatiana M. De Miranda
6391	Madison Middle	Dr. Tonya S. Dillard
6481	Miami Edison Middle	Ms. Richelle T. Lumpkin
7241	Ronald W. Reagan/Doral Senior	Mr. Douglas P. Rodriguez
7112	Hialeah Adult Ed. Center	Mr. James E. Bishop
7342	Miami Jackson Adult Ed. Center	Ms. Judy P. Hunter

## PROPERTY SCHEDULES

The table that follows summarizes the results of the physical inventories of property items at those schools where an inventory was conducted. Those schools whose property inventory results are not being included in this report are currently in progress. Consequently, we plan to report those results in January 2009:

Work Location No.	Schools	CURRENT INVENTORY					PRIOR INVENTORY	
		Total	Dollar	Unlocated Items			No. of Items	Dollar Value
				No. of Unloc. Items	At Cost	At Deprec. Value		
0521	Broadmoor Elementary	87	\$ 185,111	None	-	-	None	
5005	David Lawrence, Jr. K-8 Ctr.	671	1,025,781	2	\$ 3,846	\$ 2,587	None	
3041	Lorah Park Elementary	89	195,048	None	-	-	None	
3341	Miami Shores Elementary	218	447,262	None	-	-	None	
3661	Natural Bridge Elementary	183	344,858	None	-	-	None	
4261	Palm Springs Elementary	231	432,680	None	-	-	None	
6151	Doral Middle	431	982,633	None	-	-	None	
6391	Madison Middle	218	616,225	None	-	-	None	
7241	Ronald W. Reagan/Doral Senior	845	1,814,188	None	-	-	None	
7112	Hialeah Adult Ed. Center	122	309,628	None	-	-	None	
<b>TOTAL</b>		<b>3,095</b>	<b>\$ 6,353,414</b>	<b>2</b>	<b>\$ 3,846</b>	<b>\$ 2,587</b>	<b>None</b>	

## PROPERTY SCHEDULES

This schedule summarizes the Plant Security Reports submitted by the schools included herein. Of the ten schools reporting inventories, only two reported Plant Security Reports. They are as follows:

Work Location No.	Schools	No. of Plant Security Reports	Total Items	Total Amount At Cost	CATEGORY At Cost	Total Deprec. Value
					Computers	
5005	David Lawrence, Jr. K-8 Ctr.	1	1	\$ 1,038	\$ 1,038	\$ 581
6391	Madison Middle	1	1	1,024	1,024	1,007
<b>TOTAL</b>		<b>2</b>	<b>2</b>	<b>\$ 2,062</b>	<b>\$ 2,062</b>	<b>\$ 1,588</b>

## 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;
- 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

The School Site IT Security Audit Checklist is a self-assessment tool for evaluating network security and compliance with District security policy.

Principals are responsible for ensuring that network security standards and related security procedures are being observed at the school sites. As a means to enhance the safety and security of our District's network, The Office of Management and Compliance Audits, in collaboration with Information Technology Services (ITS), developed a checklist titled "School Site IT Security Audit Checklist". This checklist acts as a self-assessment tool for the schools to evaluate their IT network security and school-site compliance with Network Security Standards and all other related district security policies. Once the checklist is completed, it is submitted to our office for review. As part of the regular school audit process, IT audit staff will visit the schools to verify the accuracy of the information provided on the checklist, and will make recommendations for improving network security as needed.

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

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.

### 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

**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.

generated by multiplying the number of FTE students in each of the funded educational programs by a cost factor to obtain weighted FTEs.

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:

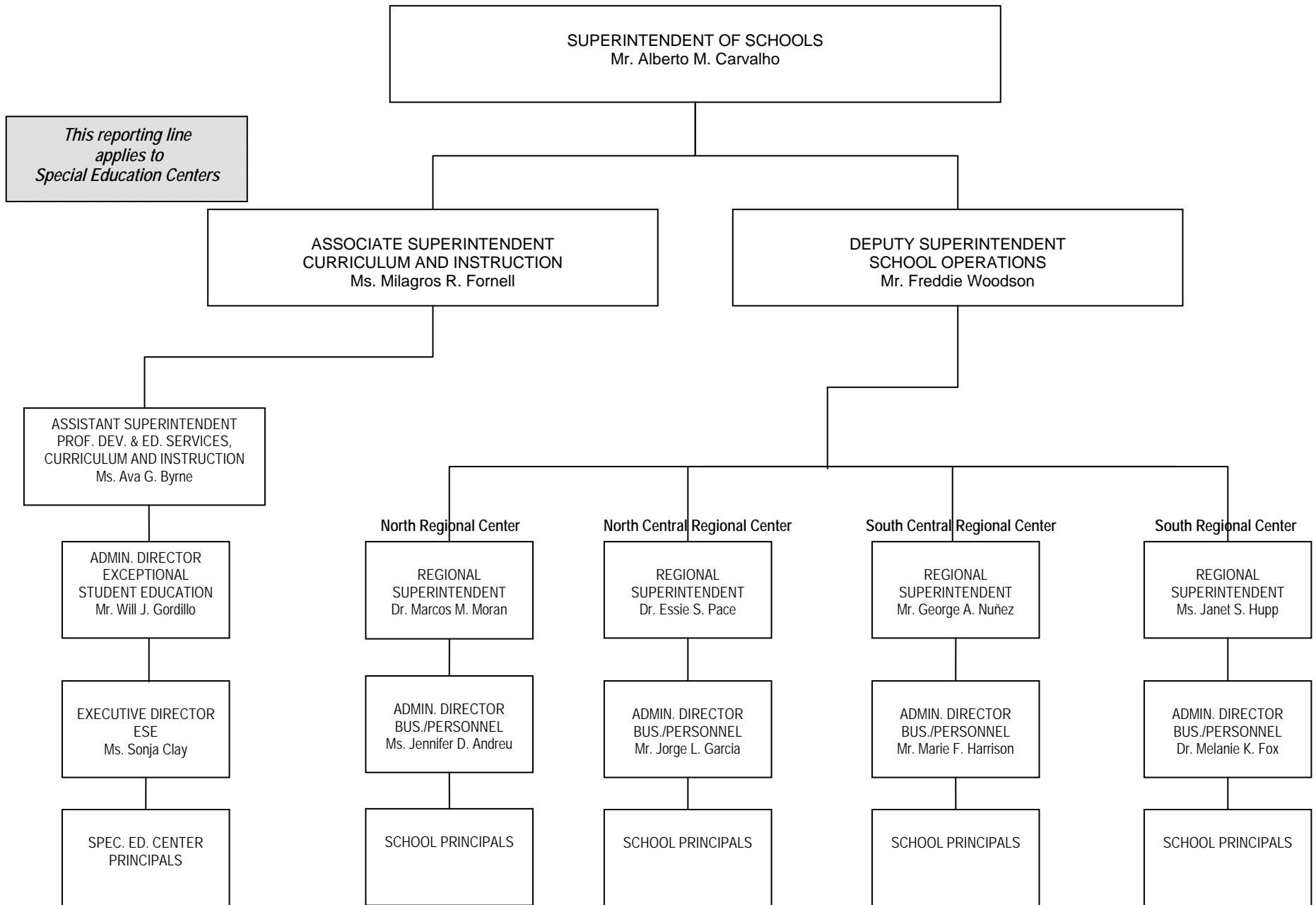
<b>Survey Period No.</b>	<b>Time Period of Survey</b>
1	July (Summer School only)
2	October
3	February
4	June (Summer School only)

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



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  
NORTH CENTRAL REGIONAL CENTER SCHOOLS  
DECEMBER 2008**



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