

**INTERNAL AUDIT REPORT**

**AUDIT OF THE INTERNAL FUNDS OF SELECTED  
SCHOOLS AND CENTERS**

**JANUARY 2005**



*Miami-Dade County Public Schools*

**OFFICE OF MANAGEMENT AND COMPLIANCE AUDITS**

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

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**Superintendent of Schools**

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



**AUDIT OF THE INTERNAL FUNDS  
OF SELECTED SCHOOLS AND CENTERS  
JANUARY 2005**

**AUDIT COMMITTEE MEETING  
JANUARY 25, 2005**

**SCHOOL BOARD MEETING  
FEBRUARY 16, 2005**

**OFFICE OF MANAGEMENT AND COMPLIANCE AUDITS**



# Miami-Dade County Public Schools

*giving our students the world*

**Superintendent of Schools**  
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**Chief Auditor**  
Allen M. Vann, CPA

**Assistant Chief Auditor**  
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**Miami-Dade County School Board**  
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Dr. Martin Karp  
Ana Rivas Logan  
Dr. Marta Pérez  
Dr. Solomon C. Stinson

January 18, 2005

Members of The School Board of Miami-Dade County, Florida  
Members of The School Board Audit Committee  
Dr. Rudolph F. Crew, Superintendent of Schools

Ladies and Gentlemen:

The Office of Management and Compliance Audits has completed the audits of the internal funds of nine adult/vocational education centers, six alternative education centers, two specialized centers, two other centers, an elementary school from Region Center II, and a fund. The audit period for these entities was two fiscal years ended June 30, 2004.

The audits at these schools/centers included a review of internal funds, property, and payroll records. We also reviewed the Community School Program records at those schools/centers having the program, which is accounted through the internal funds. In addition, a review of the Procurement Credit Card Program was performed at one center. Property inventory results are included for ten schools/centers where a physical inventory was already conducted but not previously published. Inventory results from the remaining schools/centers were either previously published with "no unlocated" items, or will be published at a later date.

Our audits disclosed that 17 of the 21 schools/centers in this report were in compliance with prescribed policies and procedures and their internal funds and payroll records were maintained in good order. At four schools/centers, there were audit exceptions in the areas of internal funds and payroll. Procurement Credit Card Program procedures were followed at the center where a review of the program was performed. The physical inventory results showed that schools/centers where properties were conducted were in compliance with the prescribed procedures related to property. Property reported missing through the Plant Security Report process was mostly in the area of computer equipment.

The findings noted in this report were discussed with the appropriate Region Center and District staffs and the principals, whose responses are included in this report and with which we concur. This report will be presented to the Audit Committee at its January 25, 2005 meeting and to the School Board at its February 16, 2005 meeting.

Sincerely,

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

AMV:mtg

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I. INTRODUCTORY SECTION

## BACKGROUND

Internal funds are monies collected and expended within a school/center which are used for financing the normal program of school activities not otherwise financed, for providing necessary and proper services and materials for school activities and other purposes consistent with the school program as established and approved by the School Board. Internal funds monies are collected in connection with summer program activities, school athletic events, fund-raising activities, gifts and contributions made by the band or athletic booster clubs, civic organizations, parent-teacher organizations, and commercial agencies and all other similar monies, properties or benefits. Internal funds which are temporarily idle shall, as required by law, be invested with designated depositories pursuant to policies of the School Board using any medium of investment of public funds, and may not exceed insurance protection or other legal collateral limits provided for such public funds. Some of the schools/centers invested their idle funds in such designated depositories, while others invested them in the MDCPS-Money Market Pool Fund. The investments in the MDCPS-Money Market Pool Fund were made with an open-end maturity in that the funds remain invested and are accessible to the schools/centers upon demand. The interest rates as of June 30, 2003 and June 30, 2004 were 2.37% and 1.86%, respectively. The principal of each individual school/center, and his/her staff, are charged with the responsibility of performing the actual internal accounting functions in accordance with the Manual of Internal Accounting<sup>1</sup>.

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

The Office of Management and Compliance Audits has performed the audits of the internal funds accounts at the schools/centers enumerated in the Table of Contents section of this report, as required by Section 1011.07, Florida Statutes, and State Board of Education Rule 6A-1.087, which requires that, "The School Board shall...provide for an annual audit of internal funds by a person certified by the State Board of Accountancy as a certified public accountant or a public accountant, or qualified internal auditing staff employed by the board. The auditor shall submit a signed, written report to the school board covering internal funds which shall include any notations of any failure to comply with requirements of Florida Statutes, State Board Rules and policies of the school board, and commentary as to financial management and irregularities. Such audits shall be presented to the school board while in session and filed as a part of the public record." Emphasis was placed in determining compliance with various Florida Statutes, Board Rules, and particularly, the policies and procedures prescribed by the Manual of Internal Accounting<sup>1</sup>.

<sup>1</sup>At the School Board meeting of March 17, 2004, the School Board repealed the Manual of Internal Accounting and promulgated a new Manual of Internal Fund Accounting, under the final approval to amend School Board Rules 6Gx13- 3D-1.021 and 6Gx13- 3D-1.061, and to repeal to School Board Rule 6Gx13- 3D1.06. Although this action took effect, the Manual of Internal Accounting is cited in this Audit Report, because it was the official document during the 2002-03 and 2003-04 fiscal years. As agreed by the Office of the Controller and this office, enforcement of the Manual of Internal Fund Accounting will take effect, for audit purposes, beginning with the 2004-05 fiscal year.

## INTERNAL AUDITOR'S REPORT AND SUMMARY

### SCOPE, OBJECTIVES, METHODOLOGY, OPINION, AND RESULTS

State Board of Education Rule 6A-1.087, Florida Administrative Code, requires District School Boards to provide for audits of the school internal funds. In accordance with the Audit Plan for the 2004-05 Fiscal Year, the Office of Management and Compliance Audits has audited the financial statements for the fiscal years ended June 30, 2003 and June 30, 2004, of the schools/centers listed in the Table of Contents section of this report. The financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles. These financial statements are the responsibility of the administration. Our responsibility is to express an opinion on these financial statements based on our audits.

**The objectives of our audits were to:**

- **express an opinion on the financial statements of the schools/centers,**
- **evaluate compliance by the schools with the policies and procedures prescribed by the Manual of Internal Accounting, and**
- **evaluate the internal control at the schools/centers to determine the extent to which the control components promote compliance with the policies and procedures prescribed by the Manual of Internal Accounting.**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Using sampling techniques, we selected and tested a representative sample of receipts and disbursements of all the audited schools/centers. We also analyzed selected activities where the schools/centers generated significant resources. An audit also includes assessing the accounting principles used and significant estimates made by the administration, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

The reports for the schools/centers with audit exceptions were discussed, in draft form, with the principals and the corresponding Region Center office or the pertinent District office at the exit conferences held for that purpose. The principals have provided written responses to the exceptions specifying what corrective actions will be implemented to prevent their recurrence. The responses from the principals were submitted for review to the corresponding Region Center Office or to the pertinent District office and then to Regional Operations. The responses were then forwarded to the Office of Management and Compliance Audits, which also reviewed them to assure corrective action was or will be taken and have been included, verbatim, with the audit report.

#### **Financial Statements**

In our opinion, the financial statements contained in this audit report present fairly, in all material respects, the changes in fund balances arising from cash transactions of the schools/centers during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting.



## Compliance

In addition to the procedures performed for our audits of the financial statements of the schools/centers, we tested compliance with selected policies and procedures prescribed by the Manual of Internal Accounting. The results of our tests of compliance indicate that, with respect to the items tested, the schools/centers generally complied with the policies and procedures in the Manual of Internal Accounting. When significant matters came to our attention relating to noncompliance, they are reported in the AUDIT EXCEPTIONS section of the audit report for the schools/centers where the instances of noncompliance were noted and also in the SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS subsection of this report.

## Internal Control Over Financial Reporting

In planning and performing our audits, we obtained an understanding of the internal control components established by the District administration. We documented our understanding of the internal control and assessed control risks. Our purpose in obtaining an understanding of the internal control and assessing control risks was to determine the nature, timing and extent of substantive tests of procedures to be performed. We determined that control policies and procedures were placed in operation by the school administration concerning the reliability of financial reporting, especially those relevant to cash receipts and disbursements and the safeguarding of assets as of June 30, 2004.

The scope of our audits also included an assessment of the controls in place at the schools/centers to promote compliance with applicable laws, administrative rules, and District policies as codified in the Manual of Internal Accounting, which contains the procedures established to control the use of the internal funds. **The internal control environment at the schools/centers is characterized by a lack of segregation of incompatible accounting duties, which are performed by the bookkeeper/treasurer that include collecting, receipting, and depositing funds, as well as posting and reconciling the books. This condition, which we consider to be a material weakness, results from the small size of the office staff, and is offset by the close supervision generally provided by the principal, who is the administrator responsible for all aspects of the operation of the school/center.** A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the school's financial records and cash receipts and disbursements may occur and not be detected within a timely period by school employees in the normal course of performing their assigned functions. When reportable conditions came to our attention regarding the cash receipts and disbursements and the Manual of Internal Accounting, these are noted in the AUDIT EXCEPTIONS section of the audit report for the schools/centers where the conditions were noted, and also in the SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS subsection of this report.

Our consideration of the internal control would not necessarily disclose all matters in the internal control components that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. Also, projections of any evaluation of the internal control over financial reporting to future periods are subject to the risk that the internal control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Because of inherent limitations in any internal control, errors or irregularities may occur and not be detected.

In our opinion, the internal controls at the schools/centers as of June 30, 2004 generally functioned as designed by the District administration and implemented by the schools/centers, which includes the lack of segregation of incompatible accounting duties performed by the bookkeeper/treasurer, as previously discussed.

## **OTHER FUNCTIONS REVIEWED**

In addition to the audit of the internal funds, we also conducted certain auditing procedures to improve accountability at the school/center level and provide assurances to the administration about the operation of the following activities:

### **Payroll**

A review of selected payroll procedures related to the preparation of the payroll and the distribution of the payroll checks was made at the schools/centers to determine adherence to the Payroll Processing Procedures manual. Specifically, we determined that **current** payroll rosters were generally supported by adequately prepared daily payroll attendance sheets. We also determined that the functions of payroll preparation and authorization, and check distribution were performed by different employees.

### **Property**

To verify compliance with the Manual of Property Control Procedures, an inventory of all property items with an individual value of \$1,000 or more was taken at the schools/centers. In order to establish reporting parameters and afford the schools/centers some latitude in monitoring their assets, an inventory threshold was established as a baseline for reporting "unlocated" property. The threshold value is based on ***one-third of one percent (0.33%) of the original cost of the assets of the particular school/center being audited.*** If the aggregate value of the unlocated items at any school/center was below this threshold, the school/center was reported as having "no unlocated" items. The District administration, however, requires follow-up on all unlocated items.

### **Procurement Credit Card Program**

To determine compliance with the Procurement Credit Card Program Policies & Procedures Manual, a review of the procurement credit card records and procedures **currently in effect** was made at selected schools/centers. The internal controls over this program, as well as procurement credit card reconciliations and expenditure records were reviewed and evaluated to assure the existence of adequate controls and the proper disbursement of funds through this process.

**The results of our audits for the individual schools/centers are included within each entity's report and are summarized in the following subsection.**

## SUMMARY OF AUDIT FINDINGS AND RECOMMENDATIONS

The Office of Management and Compliance Audits has completed the audits of the internal funds of nine adult/vocational education centers, six alternative education centers, two specialized centers, two other centers, a school from Region Center II not previously published, and a fund. The audit period for these entities was two fiscal years ended June 30, 2004. The scope of the audit conducted at these schools/centers included the: (1) audit of the financial records for internal funds that includes a review of the community school records at those schools/centers where there was a Community School Program; (2) review of the payroll records and procedures; (3) physical inventory of all property and the review of the procedures to account for and dispose of this property; and (4) review of the Procurement Credit Card Program at one center.

### INTERNAL FUNDS

- o We are pleased to report that the records were maintained in good order and in accordance with prescribed policies and procedures at 17 of the 21 schools/centers in this report (Page 14).
  - **We commend that the administration and staff of these schools/centers, as well as the corresponding Region Centers and District staffs, for supporting the schools/centers' efforts to strive for excellence in these areas.**
- o At Lindsey Hopkins Technical Education Center, we noted large posting errors and sales tax overpayments; expenditure accounts were not properly replenished and there were some problems with the posting of receipts and deposits to both the MSAF and VACS systems; the bus pass account was not being properly reconciled and agency billings were not timely processed. In our opinion, the functions of the business office are not being properly performed and better internal controls over the financial activities need to be established (Page 24).
- o At School for Applied Technology, some expenditures were not properly documented, several checks were cashed without the required number of signatures, and several invoices were not paid on a timely basis. Also, expenditures for extra-curricular student activities were inappropriately paid out of the Instructional Materials and Supplies (Fund 9) account (Page 75).
- o At Greater Miami Athletic Conference (GMAC), there were some deficit Fund and account balances as a result of funds not been timely posted or transferred; and some of the documentation presented was incomplete. Also, cellular telephone charges were not properly monitored (Page 103).
- o At Biscayne Gardens Elementary, official receipt books were missing and some collections could not be traced to deposit packages at the Community School. This incident was reported by the school administration prior to the audit in a Plant Security Report. Revenues were off at the Pre-kindergarten and Before/After School Care (BSC/ASC) Programs, ostensibly because the proper fees were not charged in the Pre-K Program, while in the BSC/ASC Programs, differences were mostly attributed to the school not submitting student attendance rosters to the subsidized child care agencies for reimbursements. Also, the checkbook balance was not properly maintained and the bank reconciliation needs to be more carefully performed. In addition, the book fair vendor had not been paid for a fund-raiser held during the spring of 2003-04; and one payment was not properly supported. Payments to vendors were late and did not always include acknowledgment of receipt of goods. Also, other discrepancies regarding disbursements were noted (Page 120).

- **We recommend that the corresponding Region Center and District staffs closely monitor the adherence to the procedures in the new Manual of Internal Fund Accounting<sup>2</sup> to prevent recurring of these findings.**

## PAYROLL

- o At Lindsey Hopkins Technical Education Center, the payroll process was supervised by several administrators; however, there were discrepancies in the reporting of daily paid and hourly paid employees; the payroll was not properly documented and attendance rosters disclosed several errors. Finally, payroll records were generally disorganized and incomplete (Page 24).
- o At Biscayne Gardens Elementary, compensatory time was given to 10 month-employees and the records were not maintained by the principal; there were discrepancies between the attendance reported on the Daily Payroll Attendance Sheets and the Final Rosters; and leave cards were not always signed. Some of these conditions were discussed with the school administration during the prior audit (Page 120).
- **We recommend that the corresponding Region Center and District staffs closely monitor adherence to the procedures in the Payroll Processing Procedures manual to prevent recurrence of these findings.**

## PROPERTY

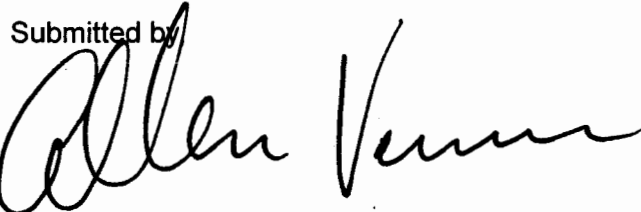
- o The results of the property inventories and Plant Security Reports for seven of the schools/centers in this report were already reported to the Audit Committee at its June 29, 2004 meeting and to the School Board at its July 14, 2004 meeting. Those results disclosed "no unlocated" property at any of these seven schools/centers, and only a few property items were reported missing through the Plant Security Report process. The property inventory of Miami Coral Park Adult Education Center is currently in progress and will be reported at a later date this fiscal year; while entities such as GMAC, Business and Industry Services, and the Equalization Fund are not responsible for property inventories. Physical inventories of property items with an individual cost of \$1,000 or more were conducted at the remaining ten schools/centers. Results indicated that all ten schools/centers were in compliance with property procedures and there were "no unlocated" items. Approximately \$ 13.3 million was inventoried at these schools/centers (Page 23). In addition, property losses reported through the Plant Security Report process showed 8 items at a cost of \$26,437 and a depreciated value of \$6,289 reported missing at two centers. These losses were mostly in the area of computer equipment (Page 23).
- **We commend the administration and staff of these schools/centers with "no unlocated" property, as well as the corresponding Region Centers and District staffs, for supporting the centers' efforts to strive for excellence in this area.**

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<sup>2</sup> Enforcement of the new Manual of Internal Fund Accounting will take effect, for audit purposes, beginning with the 2004-05 fiscal year.

## PROCUREMENT CREDIT CARD PROGRAM

- A review of the Procurement Credit Card Program's records and procedures at one center disclosed that there was general compliance with the Procurement Credit Card Program Policies & Procedures Manual (Page 14).
- **We commend the administration and staff of these schools, as well as the corresponding Region Centers and District staffs, for supporting the centers' efforts to strive for excellence in this area.**

Submitted by  


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

Internal Audits Performed by:

Ms. Yvonne Barrios	Mr. Reginald Lafontant
Mr. Harry Demosthenes	Ms. Liana Rangel
Ms. Mayte Diaz	Ms. Latosha Styles
Ms. Germa Garcia	Ms. Tamara Wain, CPA
Ms. Oria Lacayo	

Audits Supervised and Reviewed by:

Ms. Maria T. Gonzalez, CPA  
Ms. Teresita M. Rodriguez, CPA

Property Audits Supervised and Performed by:

Mr. Freddie Britt and Property Audits Staff

**MEMORANDUM**

**January 14, 2005**

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

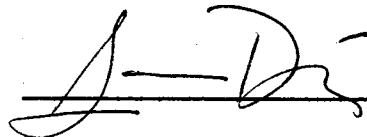
**From:** Sonia Diaz, Deputy Superintendent  
Curriculum and Instruction

**SUBJECT:** **INTERNAL FUND AUDIT RESPONSES – SELECTED  
SCHOOLS AND CENTERS**

Attached are the responses to the internal funds audits conducted for the 2002-2003 and 2003-2004 school years by the Office of Management and Compliance Audits at the following schools and site:

- √ Lindsey Hopkins Technical Education Center
- √ School for Applied Technology
- √ Greater Miami Athletic Conference (GMAC)
- √ Biscayne Gardens Elementary School

The Region Superintendents have plans to provide assistance to the affected personnel at these schools and sites. This office will monitor the ongoing actions of the administrators at these sites and the Regions to prevent and eliminate future audit exceptions in internal funds.

 SD

SD:WSY/pag  
Attachments

cc: Ms. Willa S. Young

**MEMORANDUM**

**January 12, 2005  
WSY/#M108/2004-2005**

**To:** Dr. Sonia Diaz, Deputy Superintendent  
Curriculum and Instruction

**From:** Willa S. Young, Associate Superintendent  
Region Operational Centers

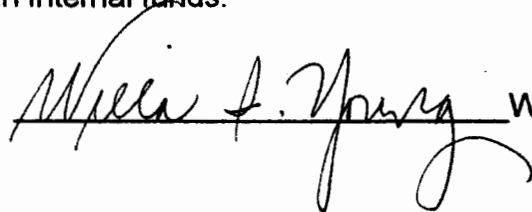
**SUBJECT:** **INTERNAL FUND AUDIT RESPONSES – SELECTED  
SCHOOLS AND CENTERS**

Please find attached responses to the internal funds audits conducted for the 2002-2003 and 2003-2004 school years for the following selected schools and centers:

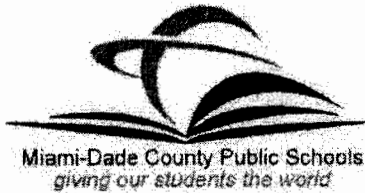
- √ Lindsey Hopkins Technical Education Center
- √ School for Applied Technology
- √ Greater Miami Athletic Conference (GMAC)
- √ Biscayne Gardens Elementary School

I concur with the assistance that the Region Superintendents plan to provide to the affected personnel at these schools and sites. This office will continue the practice of monitoring the ongoing actions of the administrators at these sites to prevent and eliminate audit exceptions in internal funds.

WSY:pag  
Attachments

 WSY


cc: Dr. Essie Pace  
Ms. Margarita Alemany-Moreno  
Ms. Enid Weisman  
Mr. F. Craig Sturgeon



**MEMORANDUM**

December 14, 2004  
MAM#095/2004-05

**TO:** Ms. Willa S. Young, Associate Superintendent  
Region Centers

**FROM:** Margarita Alemany-Moreno, Region Superintendent  
Region Center I 

**SUBJECT:** **RESPONSE TO INTERNAL FUNDS AUDIT OF LINDSEY HOPKINS  
TECHNICAL EDUCATION CENTER**

Region Center I Staff has reviewed the audit response for Lindsey Hopkins Technical Education Center, since the former principal is currently a principal of a Region Center I school. As a result of the audit exceptions cited, the following support activities, in addition to those specifically indicated in the school's respective response, will be implemented:

- The affected principal will be required to address the audit exceptions in the job targets section of the School Site Administrative Evaluation Form.
- The affected principal will conduct mini audits of internal accounts at his new school site, Miami Lakes Technical Education Center, and report the outcomes to this administrator.
- The Region Center 1 Business Director will make onsite visits to Miami Lakes Technical Center Education Center to spot check selected areas of the internal accounts.
- A mentor principal and treasurer will be assigned to affected personnel.

Should you have questions or require additional information, please advise.

MAM:mm  
Attachments


Cc: Region Center I Directors



**MEMORANDUM**

December 8, 2004  
EW/2004-05/#080  
305-624-8802

**TO:** Ms. Willa S. Young, Associate Superintendent  
Regional Centers

**FROM:** Enid Weisman, Region Superintendent   
Region Center II

**SUBJECT: RESPONSE TO JULY 1, 2002 THROUGH JUNE 30, 2004  
INTERNAL FUNDS AUDIT FOR BISCAYNE GARDENS  
ELEMENTARY COMMUNITY SCHOOL**

Attached please find the response to the July 1, 2002 through June 30, 2004 internal audit conducted at Biscayne Gardens Elementary Community School prepared by the principal. The principal has described immediate corrective actions that were taken to address the audit exceptions at the school and the preventive strategies that will be established to prevent any recurrences.

With the support of the Business Administrative Director, the Region Center II will ensure that the principal, school treasure, and all affected personnel participate in the *Money Matters Support Programs*. The Business Administrative Director will conduct quarterly mini-audits at the school and work closely with the principal and treasurer on a monthly basis to monitor proper maintenance of the school's internal funds as stipulated in the **new Manual of Internal Fund Accounting**.

We look forward to the opportunity to assist the principal in assuring compliance with the policies and procedures in the **new Manual of Internal Fund Accounting**.

EW:lg  
Attachments

cc: Mr. Jose Montes deOca  
Dr. Ronnie L. Hunter  
Ms. Valerie Ward

**REGION CENTER IV**

**MEMORANDUM**

January 7, 2005  
ESP/#238/2004-05  
305 642-7555

TO: Mrs. Willa S. Young, Associate Superintendent  
Regional Operations

FROM:  Essie S. Pace, Region Superintendent  
Region Center IV

**SUBJECT: RESPONSE TO 2002-2003/2003-2004 INTERNAL FUNDS AUDIT  
SELECTED SCHOOLS AND SITES**

Please find enclosed the response to the internal funds audit conducted for the 2002-2003/2003-2004 school years for School for Applied Technology and Lindsey Hopkins Technical Education Center. Also attached are memoranda from the principals listed below addressing the audit exceptions for their respective schools:

- √ Mr. Ronald Major, School for Applied Technology
- √ Ms. Rosa Borgen, Lindsey Hopkins Technical Education Center

The principals indicated the immediate corrective actions taken and what preventive monitoring strategies would be put in place to prevent the recurrence of any further audit exceptions.

The Region Center IV Administrative Director along with the Adult/Vocational/Alternative and Community Education Administrative Director will conduct mini-audits, closely monitor the financial transactions at these schools and work with each of these principals. We look forward to working with the principals to promote efficient fiscal practices at their respective schools.

ESP:e


**Attachments**

cc: Mr. Jose Montes de Oca  
Mr. Jorge L. Garcia  
Ms. Rosa Borgen  
Mr. Ronald Major

**MEMORANDUM**

FCS073/2004-2005  
December 8, 2004

**TO:** Ms. Willa S. Young, Associate Superintendent  
Regional Operations

**FROM:** F. Craig Sturgeon, Assistant Superintendent   
Regional Operations

**SUBJECT: RESPONSE TO JULY 1, 2002 THROUGH JUNE 30, 2004  
INTERNAL FUNDS AUDIT FOR THE GREATER MIAMI  
ATHLETIC CONFERENCE**

Attached please find the response to the July 1, 2002 through June 30, 2004 internal audit conducted at the Greater Miami Athletic Conference (GMAC) and prepared by the executive secretary. The executive secretary has described immediate corrective actions that were taken to address the audit exceptions and the preventative strategies that will be established to prevent any recurrences.

This office will solicit assistance in monitoring the plan from the assigned Business Manager, Internal Funds, and will meet with Ms. Golden on a quarterly basis to go over the new preventative strategies in place and discuss any further issues

Our office looks forward to the opportunity to assist the GMAC in assuring compliance with the policies and procedures in the **new Manual of Internal Fund Accounting**.

FCS:cag

Attachments

cc: Mr. Jose Montes de Oca  
Ms. Cheryl A. Golden

**SELECTED SCHOOLS AND CENTERS  
TABLE OF AUDIT FINDINGS**

School/Center/Fund	Page No.	Total per School/Center/Fund	INTERNAL FUNDS				PAYROLL
			Financial Mgt./Fin. Records	Disbursements	Comm. School	Cell. Tel.	
<b><u>ADULT/VOCATIONAL EDUCATION CENTERS</u></b>							
Lindsey Hopkins Tech. Ed. Center <sup>(1)(2)</sup>	24	6	5				1
Coral Gables Adult	46	None					
D. A. Dorsey Adult Ed. Center <sup>*(1)</sup>	49	None					
Miami Coral Park Adult <sup>(1)</sup>	52	None					
Miami Palmetto Adult	55	None					
Miami Senior Adult <sup>(1)</sup>	58	None					
Miami Sunset Adult	61	None					
Robert Morgan Educational Center <sup>(1)</sup>	64	None					
William H. Turner Educational Ctr. <sup>(1)</sup>	70	None					
<b><u>ALTERNATIVE EDUCATION CENTERS</u></b>							
School for Applied Technology <sup>(1)(2)</sup>	75	1	1				
Corporate Academy North	82	None					
Miami-MacArthur No. Sr. <sup>(1)</sup>	85	None					
Miami-MacArthur So. Sr. <sup>(1)</sup>	88	None					
School for Advanced Studies	89	None					
Dorothy M. Wallace COPE Ctr.	94	None					
<b><u>SPECIALIZED CENTERS</u></b>							
Ruth Owens Krusé Ed. Center <sup>(1)</sup>	97	None					
Merrick Educational Center	100	None					
<b><u>OTHER CENTERS/FUND</u></b>							
Greater Miami Ath. Conference	103	2	1			1	
Dade County Ath. Eq. Fund	114	None					
Sys. Business Industry Services <sup>(1)</sup>	117	None					
<b><u>REGION CENTER II SCHOOL</u></b>							
Biscayne Gardens Elementary	120	6	1	1	3		1
<b>TOTAL</b>		15	8	1	3	1	2

**Notes:**

- \* Procurement Credit Card Program records and procedures were reviewed at this school/center (1school/center).
- (1) Change in principal at this school/center (11 schools/centers).
- (2) One of Region Center IV schools. Reporting change subsequent to the October 20, 2004 District's reassignment of the central office of Adult, Vocational, and Alternative Education to the six region center offices and other areas of curriculum and instruction.

**SELECTED SCHOOLS AND CENTERS  
ANALYSIS OF CURRENT AND PRIOR FINDINGS**

SCHOOL/CENTER	CURRENT AUDIT PERIOD	PRIOR AUDIT PERIOD
<p>Lindsey Hopkins Technical Education Center* (Page 24)</p>	<p style="text-align: center;"><u>2002-03 and 2003-04</u></p> <p>Financial Management and Records</p> <ul style="list-style-type: none"> <li>- \$70,221 receipts for Dental Clinic misposted to Child Care account during 2002-03, while \$9,380 for bus pass purchases erroneously posted to Sales Tax account during 2003-04</li> <li>- \$2,631 for Money Market interest credited in August 2003 posted late to MSAF</li> <li>- some of these errors corrected by school after year-closing; while others corrected at request of auditor</li> <li>- financial statements properly adjusted to reflect corrections</li> <li>- Sales Tax account had negative balances of \$(1,828) and \$(1,705) at end of 2002-03 and 2003-04, respectively</li> <li>- deficits may have resulted from overpayments to Florida Department of Revenue for tax-exempt bookstore sales</li> <li>- school currently making efforts to correct sales tax overpayments.</li> <li>- expenditure accounts for Dental Clinic, Food Production and Child Care programs had large deficit balances at June 30, 2004</li> <li>- expenditures recorded, but corresponding revenues not periodically transferred to clear accounts, thus deficit balances continue increasing every year</li> <li>- checkbook balances for credit card account not reconciled to MSAF system.</li> <li>- collections from morning and afternoon activities deposited separately; however, receipt information from both deposits consolidated to post to MSAF</li> <li>- collections from different activities recorded under one MSAF receipt. This consolidation made verification of deposit packages difficult, especially when posting errors</li> <li>- Recaps of Collections not prepared.</li> <li>- Bus Pass account reconciliation (recommended during two prior audits) not being made</li> <li>- \$7,425 in bus passes given to eligible students not submitted to District for reimbursement</li> <li>- \$3,840 in bus pass credits issued to school by transit agency not used. At request of auditor transit agency contacted to obtain reimbursement for unused credits.</li> </ul>	<p style="text-align: center;"><u>2000-01 and 2001-02</u></p> <p>Financial Management</p> <ul style="list-style-type: none"> <li>- June 2002 reconciliation listed reconciling entry for late transfer of funds from checking to Money Market of \$75,000</li> <li>- when reconciliation properly adjusted, it resulted in MSAF checking account deficit balance of \$(50,476)</li> <li>- however, actual bank's checking account not overdrawn</li> <li>- June 2002 credit card bank account had \$80,000 accumulated balance from prior months' collections and credit card account is non-interest bearing</li> <li>- running checkbook balance was maintained; however, off by approximately \$50,000</li> <li>- joint verification of Metro-Dade bus passes exchanged between treasurer and cashier not documented</li> <li>- monthly reconciliations for passes sold to students not prepared</li> <li>- issues previously noted in audit report corresponding to 1997-98 fiscal year and need to be corrected immediately</li> <li>- business office segregated treasurer duties among several individuals; however, VACS, MSAF and checking account not properly reconciled</li> <li>- functions performed by different individuals require reconciliation of systems and checking account Many instances where collections not timely posted.</li> </ul> <p>Equipment Purchases</p> <ul style="list-style-type: none"> <li>- \$20,145 X-ray machine purchased during 2001-02 fiscal year</li> <li>- three quotes from same vendor presented, however, formal bid procedures not followed</li> <li>- machine not reported on an Incoming Controlled Equipment form and submitted to Property Accounting for control purposes</li> <li>- we visited room where equipment located and noted that machine wall-mounted, but access to room not restricted and lock broken.</li> </ul>






\* New administration effective August 2004.

**SELECTED SCHOOLS AND CENTERS  
ANALYSIS OF CURRENT AND PRIOR FINDINGS**

**SCHOOL/CENTER**

**CURRENT AUDIT PERIOD**

**PRIOR AUDIT PERIOD**

<p>Lindsey Hopkins Technical Education Center* (Continued)</p>	<p align="center"><u>2002-03 and 2003-04</u></p> <ul style="list-style-type: none"> <li>- \$199,225 of \$506,992 agency billings outstanding since early November 2004 corresponded to 2003-04 and prior fiscal years' billings</li> <li>- additional agency billings for school's satellite listed \$71,172 as prior years' billings from one particular agency.</li> <li>- business office segregated treasurer's duties among several employees and business manager responsible for supervising the business office</li> <li>- according to business manager and our inquiries, he does not supervise internal funds activity</li> <li>- according to treasurer and our inquiries, she posts receipts to MSAF based VACS information, instead of independently from deposit packages.</li> </ul> <p>Payroll</p> <ul style="list-style-type: none"> <li>- 14 daily paid employees reported present on Final Rosters, although absent a total of 20 days in sick, personal, or vacation leave</li> <li>- many hourly paid employees underpaid or overpaid several hours</li> <li>- underpayments of up to 17 hours, while overpayments ranged between 1 and 29 hours. Corrections made at request of the auditor</li> <li>- few instances where employees paid for days or hours not properly supported</li> <li>- some leave cards not presented for audit or type of leave not noted on attendance sheets.</li> <li>- several administrators reviewed and approved payroll of employees under his/her supervision, and each department prepared its own attendance sheets; however, records often incomplete and not clear</li> <li>- payroll clerk entered payroll information into system from signed summary payroll rosters submitted by each administrator for employees under his/her supervision, instead of department's attendance sheets</li> <li>- summary rosters did not always match corresponding attendance sheets</li> </ul>	<p align="center"><u>2000-01 and 2001-02</u></p> <p>Childcare Program</p> <ul style="list-style-type: none"> <li>- regular childcare and baby-sitting services for children of students and school employees offered at the center</li> <li>- unable to perform potential revenue analyses because attendance rosters for baby-sitting service not properly maintained and funds for both activities commingled</li> <li>- program participation paid by Miami-Dade Department of Children and Families for several students, and student attendance rosters sent every month for reimbursement</li> <li>- however, school did not reconcile funds received with rosters submitted for reimbursement</li> <li>- student registration cards not signed by Principal/designee or parent/guardian</li> <li>- several registration cards did not contain child's personal information.</li> </ul> <p>Dental Clinic</p> <ul style="list-style-type: none"> <li>- several patients received dental services when not eligible</li> <li>- four Miami-Dade County School Board employees on patient list</li> <li>- patients incorrectly designated by school as indigent, when patient's clinic card showed not eligible for services.</li> <li>- several blank referral forms contained stamped signature</li> <li>- \$10 visit fee applies to most patients as per procedures; however, many patients did not pay fee and documentation/fee waiver not presented</li> <li>- clinic employees sometimes collected money from patients without issuing receipt, instead of patient making payment directly to cashier.</li> </ul> <p>Bookstore</p> <ul style="list-style-type: none"> <li>- operation produced gross profits of 15% and 12% for 2000-01 and 2001-02 fiscal years, respectively</li> <li>- Operating and Inventory Reports had several errors</li> <li>- invoice for \$2,137 paid twice</li> <li>- at request of auditor vendor contacted and refund obtained.</li> </ul>
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\* New administration effective August 2004.

**SELECTED SCHOOLS AND CENTERS  
ANALYSIS OF CURRENT AND PRIOR FINDINGS**

SCHOOL/CENTER	CURRENT AUDIT PERIOD	PRIOR AUDIT PERIOD
Lindsey Hopkins Technical Education Center* (Continued)	<u>2002-03 and 2003-04</u>  - payroll records generally disorganized and incomplete - review of additional payroll after issues brought to payroll clerk's attention and still had errors.	<u>2000-01 and 2001-02</u>  Payroll - school used time clock to record custodial staff's attendance, and several instances noted where employees would either clock out before completion of work shift, not properly clock out at end of shift, or not properly note their presence for days paid - several instances where employees either overpaid or underpaid few hours or days. Corrections made at request of auditor - one employee worked at nearby off-campus location signed out at that location at same time he signed in at center - an employee reported workers' compensation and "other leave" for eight and half days - allegedly going to doctor for therapy; however, documentation from doctor not presented - when documentation requested, employee admitted in writing he had not gone to therapy - principal requested M-DCPS Police investigation and investigation in progress.
School for Applied Technology** (Page 75)	<u>2002-03 and 2003-04</u>  Financial Management - several invoices paid late - delays ranged between 37 and 83 days - checks posted late to MSAF - delays ranged between 10 and 57 days - some expenditures documented with statements or copies of invoices in lieu of original invoices - fifteen checks amounting to \$6,142 had only one of two required signatures - check for \$300 made payable to "cash" without supporting documentation; invoice obtained as requested by auditor - another check for \$218 cashed by bank without signatures - expenditures amounting to \$2,650 for transportation to Grad Nite improperly made from Fund 9 account.	<u>2001-02</u>  None

\* New administration effective August 2004.  
\*\* New administration effective December 2004.

**SELECTED SCHOOLS AND CENTERS  
ANALYSIS OF CURRENT AND PRIOR FINDINGS**

PRIOR AUDIT PERIOD

CURRENT AUDIT PERIOD

SCHOOL/CENTER

SCHOOL/CENTER	CURRENT AUDIT PERIOD	PRIOR AUDIT PERIOD
<p>Greater Miami Athletic Conference*** (Page 103)</p>	<p style="text-align: center;"><u>2002-03 and 2003-04</u></p> <p><b>Financial Records</b></p> <ul style="list-style-type: none"> <li>- Athletics Fund had MSAF deficit balances of \$(6,078) and \$(45,107) for 2002-03 and 2003-04 fiscal years, respectively</li> <li>- as of October 29, 2004, deficit balance of \$(32,526)</li> <li>- deficits due to expenditures recorded in Athletic Fund but corresponding revenues not transferred from General Fund to clear deficits</li> <li>- Trust Fund account had year-end MSAF deficit balance of \$(5,889)</li> <li>- deficit resulted when funds deposited in bank not posted to MSAF until nearly two months later</li> <li>- deposit delays of up to 18 days noted</li> <li>- check issued for \$1,440 cashed by bank with only one of two required signatures</li> <li>- check makers names not always listed on bank deposit slips</li> <li>- computer generated receipts not always signed by treasurer</li> <li>- similar item discussed with administration during prior audit.</li> </ul> <p><b>Cellular Telephones</b></p> <ul style="list-style-type: none"> <li>- some commissioner's total monthly cellular telephone charges ranged between \$40 and \$62, while other commissioner's ranged between \$140 and \$619</li> <li>- log of cellular telephone calls not maintained; instead, copies of itemized statements, along with a form, sent to individuals to review charges, indicate personal/business usage, and make reimbursement for personal calls to GMAC</li> <li>- some forms not presented for audit, some not signed by commissioners, and others did not agree with service period</li> <li>- similar issues with use and record-keeping of cellular telephones brought to attention of administration during last two audits.</li> </ul>	<p style="text-align: center;"><u>2000-01 and 2001-02</u></p> <p><b>Disbursements</b></p> <ul style="list-style-type: none"> <li>- most invoices tested did not include signature of person acknowledging receipt of goods or services; similar item discussed with administration during prior audit</li> <li>- purchase of T-shirts, during 2000-01 fiscal year, with cost of over \$10,000 supported with quotes instead of formal bids.</li> </ul>

\*\*\* New administration effective August 2002.



**SELECTED SCHOOLS AND CENTERS  
ANALYSIS OF CURRENT AND PRIOR FINDINGS**

SCHOOL/CENTER	CURRENT AUDIT PERIOD	PRIOR AUDIT PERIOD
<p>Biscayne Gardens Elementary (Page 120)</p>	<p style="text-align: center;"><u>2002-03 and 2003-04</u></p> <p>Community School Program</p> <ul style="list-style-type: none"> <li>- After School Care Program collections of \$368 could not be traced to deposit packages</li> <li>- most collections made when former clerk handled collections</li> <li>- thirty eight official receipt books not presented for audit</li> <li>- Plant Security Report revealed Community School Assistant Principal discovered closet unlocked and receipt books missing</li> <li>- apparently only Community School Assistant Principal and former clerk had keys to closet</li> <li>- Plant Security Report not signed by principal/delegate</li> <li>- Pre-K Program had difference of \$1,300 between potential revenues of \$17,610 and posted collections of \$16,310 for 2002-03</li> <li>- only \$520 properly documented with letters sent to the parents</li> <li>- \$180 payment posted to student registration card could not be traced to deposit packages</li> <li>- Pre-K difference of \$7,950 between potential revenues of \$15,110 and posted collections of \$7,160 for 2003-04</li> <li>- difference mostly due to students that attended but did not pay; only \$250 documented as outstanding liabilities</li> <li>- fee-paying students charged reduced rate; however, several students paid reduced rate prior to eligibility or not eligible during audit period</li> <li>- review of Before/After School Care and Summer Camp Programs disclosed unfavorable differences of \$9,698 and \$47,392 between potential revenues of \$167,050 and \$181,933 and collections of \$157,352 and \$134,541 for 2002-03 and 2003-04, respectively</li> <li>- difference due to student attendance rosters not submitted to outside child care agency for most of 2003-04 reimbursements</li> <li>- school did not reconcile subsidized child care reimbursements</li> <li>- also, \$11,970 check sent to school back in August 2003 not yet cashed</li> </ul>	<p style="text-align: center;"><u>2001-02</u></p> <p style="text-align: center;">None</p>

**SELECTED SCHOOLS AND CENTERS  
ANALYSIS OF CURRENT AND PRIOR FINDINGS**

SCHOOL/CENTER	CURRENT AUDIT PERIOD	PRIOR AUDIT PERIOD
<p>Biscayne Gardens Elementary (Continued)</p>	<p style="text-align: center;"><u>2002-03 and 2003-04</u></p> <ul style="list-style-type: none"> <li>- at request of auditors, school prepared necessary reconciliations and contacted agency to receive replacement check</li> <li>- according to agency, school will not receive reimbursement for several months not previously reported</li> <li>- one child care agency no longer operating subsidized child care program.</li> </ul> <p>Financial Records</p> <ul style="list-style-type: none"> <li>- June 30, 2004 bank reconciliation had MSAF deficit checking account balance of \$(673); however, checking account not overdrawn</li> <li>- checkbook balance not properly maintained</li> <li>- "Available Funds" (06) screen print listing month-end checking and investment balances not always timely printed.</li> </ul> <p>Disbursements</p> <ul style="list-style-type: none"> <li>- school collected \$1,777 during book fair fund-raiser in spring of 2004; however vendor not paid as of end of audit</li> <li>- \$3,570 payment made during 2002-03 not properly supported</li> <li>- invoice obtained did not match payment</li> <li>- vendors paid late during 2003-04; delays ranged between 42 and 76 days</li> <li>- invoices supporting check requisitions indicated vendors overpaid small amounts.</li> <li>- several invoices did not include acknowledgment of receipt of goods</li> <li>- Community School Program loaned \$1,375 to day school for opening of year breakfast</li> <li>- school improperly reimbursed Community School Program \$1,375 with internal funds from Instructional Materials and Supplies (Fund 9) account</li> </ul>	

**SELECTED SCHOOLS AND CENTERS  
ANALYSIS OF CURRENT AND PRIOR FINDINGS**

**PRIOR AUDIT PERIOD**

**CURRENT AUDIT PERIOD**

**SCHOOL/CENTER**

SCHOOL/CENTER	CURRENT AUDIT PERIOD	PRIOR AUDIT PERIOD
<p>Biscayne Gardens Elementary (Continued)</p>	<p style="text-align: center;"><u>2002-03 and 2003-04</u></p> <ul style="list-style-type: none"> <li>- school subsequently received \$1,375 check from grantor for this purpose, but improperly handled it.</li> </ul> <p>Payroll</p> <ul style="list-style-type: none"> <li>- compensatory time given to ten-month employees for hours worked during summer in 2003.</li> <li>- compensatory time records maintained by employees instead of school administration</li> <li>- some employees did not indicate presence on Daily Payroll Attendance Sheets</li> <li>- leave cards not always signed by the employee and/or the principal.</li> </ul>	<p style="text-align: center;"><u>2000-01 and 2001-02</u></p> <ul style="list-style-type: none"> <li>- Disbursements</li> <li>- eleven checks totaling \$13,438 issued with only one of two required signatures and cashed by bank</li> <li>- invoice totaling \$3,747 paid twice. At request of auditor, vendor contacted, and noted vendor had applied portion of credit to subsequent purchases</li> <li>- credit of \$2,504 remained available</li> <li>- several invoices did not have acknowledgment of receipt of goods or services</li> <li>- check requisitions supported by statements of account or other documentation</li> <li>- expenditures posted to incorrect accounts. Corrections made at request of auditor</li> <li>- sales tax of \$216 not paid to Florida Department of Revenue for retirement dinner organized by center.</li> </ul>
<p>D. A. Dorsey Adult Ed. Center (Page 49)</p>	<p style="text-align: center;"><u>2002-03 and 2003-04</u></p> <p style="text-align: center;">None</p>	<p style="text-align: center;"><u>2000-01 and 2001-02</u></p> <ul style="list-style-type: none"> <li>- Disbursements</li> <li>- eleven checks totaling \$13,438 issued with only one of two required signatures and cashed by bank</li> <li>- invoice totaling \$3,747 paid twice. At request of auditor, vendor contacted, and noted vendor had applied portion of credit to subsequent purchases</li> <li>- credit of \$2,504 remained available</li> <li>- several invoices did not have acknowledgment of receipt of goods or services</li> <li>- check requisitions supported by statements of account or other documentation</li> <li>- expenditures posted to incorrect accounts. Corrections made at request of auditor</li> <li>- sales tax of \$216 not paid to Florida Department of Revenue for retirement dinner organized by center.</li> </ul>

**SELECTED SCHOOLS AND CENTERS  
ANALYSIS OF CURRENT AND PRIOR FINDINGS**

SCHOOL/CENTER	CURRENT AUDIT PERIOD	PRIOR AUDIT PERIOD
D. A. Dorsey Adult Ed. Center (Continued)	<u>2002-03 and 2003-04</u>	<p style="text-align: center;"><u>2000-01 and 2001-02</u></p> <p>Bookstore</p> <ul style="list-style-type: none"> <li>- bookstore operating report corresponding to 2000-01 fiscal year disclosed gross profit of only 12%</li> <li>- bookstore operation expected to produce gross profit of 16.7% based on retail sale of books at 20 percent above cost</li> <li>- as result, unrealized potential sales amounted to \$2,464</li> <li>- approximately \$9,700 in unpaid bookstore receivables from previous years remained outstanding at June 30, 2002</li> <li>- some receivables not dated, appeared old, and may be uncollectible</li> <li>- records supporting some receivables not presented for audit; therefore, unable to verify whether some receivables were paid by corresponding agencies</li> <li>- errors noted in valuation of ending inventories for both fiscal years.</li> </ul> <p>Payroll</p> <ul style="list-style-type: none"> <li>- daily paid employees did not indicate presence on Daily Payroll Attendance Sheets</li> <li>- leave cards did not always agree with Daily Payroll Attendance Sheets and/or Final Rosters</li> <li>- type of leave taken not reflected on Daily Payroll Attendance Sheets</li> <li>- leave cards incomplete</li> <li>- principal's leave cards not approved by District.</li> </ul>






**SCHOOLS/CENTERS WITH NO AUDIT EXCEPTIONS NOTED DURING BOTH AUDIT PERIODS  
ARE EXCLUDED FROM THIS SECTION.**

**PROPERTY SCHEDULES**

**SELECTED SCHOOLS AND CENTERS**

**CURRENT PROPERTY INVENTORY RESULTS  
(COMPARED TO PRIOR INVENTORY)**

School/Center/Fund	CURRENT INVENTORY					PRIOR INVENTORY	
	Total Items	Dollar Value	Unlocated Items			No. of Unloc. Items	Dollar Value
			No. of items	At Cost	At Deprec. Value		
<b>Adult/Vocational Education Centers</b>							
Lindsey Hopkins Tech. Ed. Ctr.	2,689	\$ 4,993,492	None			None	
Coral Gables Adult Ed. Ctr.	190	272,540	None			None	
D. A. Dorsey Ed. Ctr.	*						
Miami Coral Park Ad. Ed. Ctr.	**						
Miami Palmetto Ad. Ed. Ctr.	190	225,682	None			None	
Miami Senior Ad. Ed. Ctr.	120	239,152	None			None	
Miami Sunset Ad. Ed. Ctr.	348	369,297	None			None	
Robert Morgan Ed. Ctr.	2,522	4,989,773	None			None	
William H. Turner Ed. Ctr.	*						
<b>Alternative Education Centers</b>							
School for Applied Tech.	*						
Corporate Academy North	*						
Miami-MacArthur North Senior	387	724,968	None			None	
Miami-MacArthur South Senior	387	605,666	None			None	
School for Advanced Studies	*						
Dorothy M. Wallace COPE Ctr.	351	499,898	None			None	
<b>Specialized Education Centers</b>							
Ruth Owens Krusé Ed. Ctr.*	*						
Merrick Educational Ctr.	282	429,303	None			None	
<b>Other Centers/Fund</b>							
Greater Miami Ath. Conference	***						
Dade County Athletic Eq. Fund	***						
Sys. Business Ind. Services	***						
<b>Region Center II School</b>							
Biscayne Gardens Elementary	*						
<b>TOTAL</b>	<b>7,466</b>	<b>\$ 13,349,771</b>	<b>None</b>			<b>None</b>	

**Notes:**

- \* Latest property inventory results reported in June 2004. Property inventory will be conducted later on this fiscal year and results will be reported accordingly.
- \*\* Property inventory in progress. Results will be reported at a later date.
- \*\*\* This center/fund is not responsible for property inventory.

**ANALYSIS OF PROPERTY LOSSES PER PLANT SECURITY REPORTS  
SINCE PRIOR PHYSICAL INVENTORY**

Center	No. Of Plant Security Reports	Total Items	Total Amount At Cost	CATEGORY (AT COST)		Total Depreciated Value
				Computers	Other	
<b>Adult/Vocational Education Centers</b>						
Lindsey Hopkins Tech. Ed. Ctr.	2	3	\$ 4,495	\$ 4,495		\$ 1,855
Robert Morgan Ed. Ctr.	3	5	21,942	19,026	\$ 2,916	4,434
<b>TOTAL</b>	<b>5</b>	<b>8</b>	<b>\$ 26,437</b>	<b>\$ 23,521</b>	<b>\$ 2,916</b>	<b>\$ 6,289</b>

**Note: Schools/centers with no property reported missing through the Plant Security Report Process are excluded from this schedule.**

**II. INDIVIDUAL AUDIT REPORTS**  
**(Schools/centers with audit exceptions are listed first within each section).**

ADULT/VOCATIONAL EDUCATION CENTERS



LINDSEY HOPKINS TECHNICAL EDUCATION CENTER  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 750 N.W. 20 Street, Miami, Florida 33127

Date Center Established: 1970

Principal During Audit Period: Mr. James V. Parker (Through July 2004; presently at Miami Lakes Educational Center)

Current Principal: Ms. Rosa Borgen

Business Manager: Mr. James Sohnleitner

Treasurer: Ms. Drusilla Sears

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
City National Bank of Florida	--	0.10	\$ 2,317.16	\$ 28.70
Credit Card Account:				
SunTrust Bank	--	--	13,008.61	18,834.43
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37	628,788.95	
	Open-end	1.86		742,920.19
TOTAL			<u>\$644,114.72</u>	<u>\$761,783.32</u>

LINDSEY HOPKINS TECHNICAL EDUCATION CENTER (Continued)

AUDIT EXCEPTIONS

Financial Management and Records

1. Our review of the financial records disclosed the following discrepancies:
  - a. Several large posting errors were noted during the audit period. For example, a \$70,221 receipt for the Classes and Clubs-Dental Clinic was misposted to one of the Child Care accounts during the 2002-03 fiscal year; and two expenditures amounting to \$9,380 for the purchase of bus passes were erroneously posted to the Trust Fund-Sales Tax account during the 2003-04 fiscal year. In addition, Money Market interest amounting to \$2,631 that was credited to the school in August of 2003 by the District was not posted to the MSAF system. Some of these errors were corrected by the school after the closing of the year; while others were corrected at the request of the auditor. The financial statements have been adjusted to properly reflect account balances.
  - b. The Trust Fund-Sales Tax account had negative balances of \$(1,828) and \$(1,705) at the end of the 2002-03 and 2003-04 fiscal years, respectively. These negative balances may have resulted from overpayments to the Florida Department of Revenue for tax-exempt bookstore sales. The school has been making efforts to correct the sales tax overpayments.
  - c. At June 30, 2004, expenditure accounts for the Dental Clinic, Food Production and Child Care programs had deficit balances totaling \$(300,020), \$(139,510), and \$(9,633), respectively. The reason for these deficit balances was that expenditures were recorded, but the corresponding revenues (which were sufficient to cover all these expenditures) were not periodically transferred to clear these accounts. Without the corresponding transfers of revenues, these accounts will continue to show increasingly large deficit balances every year.
  - d. The checkbook balances for the credit card account were not reconciled to the MSAF (accounting) system.

Section 2-4 of the Manual of Internal Accounting and Section III, Chapter 4 of the *new* Manual of Internal Fund Accounting establish that Trust Fund accounts may not be overdrawn. We recommend that the current school administration closely monitor these accounts to promote compliance and prevent future errors.

2. Collections from the morning and the afternoon activities were deposited in two separate packages; however, these deposits were not posted separately to the MSAF system. Instead, the receipt information from both deposits was consolidated and then posted to the MSAF system. Also, collections from different activities were recorded under one MSAF receipt. This consolidation made verification of deposit packages difficult, especially when errors were made in the posting of these transactions. In addition, Recaps of Collections were not being prepared. We recommend that each deposit be posted separately to the MSAF system, and that each activity within the deposit be individually receipted in MSAF, to improve the posting of receipt transactions and facilitate the verification of deposit totals. We further recommend that a reconciliation between the MSAF and VACS systems, and the deposit packages be made daily to ensure the accuracy of the postings in both systems and the early detection and correction of errors. Section 3-3 of the Manual of Internal Accounting and Section II, Chapters 2 and 3 of the *new* Manual of Internal Fund Accounting establish the guidelines for preparing the Recaps of Collections and the deposit packages; and the Handbook and Procedures Manual for Adult Education and Chapter 4 of the *new* Adult and Applied Technology Education Procedures Manual establish the procedures for recording the deposits in both MSAF and VACS systems.

## LINDSEY HOPKINS TECHNICAL EDUCATION CENTER (Continued)

3. Our review of the Bus Pass account disclosed that a reconciliation of the account, as recommended during the two prior audits, was not being made. Also, a total of \$7,425 in bus passes given to students, eligible under the District's Skills for Academic Vocational and English Studies (SAVES) program, had not been submitted to the District for reimbursement. In addition, \$3,840 in bus passes not sold and credited to the school by the transit agency had not been applied to subsequent purchases. At the request of the auditor, the transit agency was contacted to obtain a reimbursement for the amount overpaid. We again recommend that the reconciliation be performed and that the activity be closely monitored by the current school administration.
4. Our review of the agency billing report through the beginning of November 2004, disclosed that of the \$506,992 in outstanding billings, \$199,225 was from the 2003-04 and prior fiscal years. In addition, we reviewed the agency billings for the school's satellite and noted that of the \$107,553 billed to several agencies, \$71,172 was from prior years' billings to one particular agency. Chapter 4 of the new Adult and Applied Technology Education Procedures Manual establishes that with few exceptions, outstanding agency billings should not exist for an agency 12 weeks after student registration. We also recommend that the agency billings be thoroughly reviewed and monitored by the current school administration; that efforts be made to collect outstanding amounts; and that a resolution be found for those amounts deemed uncollectible.
5. The business office has segregated the duties of the treasurer among several employees and the business manager is responsible for supervising the business office. However, according to the business manager and our inquiries, he does not supervise the internal funds activity. Also, according to the treasurer and our inquiries, she posts the receipts based on the information previously recorded in the VACS system by another employee, instead of independently entering that information from the deposit packages.

Based on the conditions and errors noted in items 1 through 5 above, it is our opinion that the functions of the business office are not being properly coordinated and supervised. We recommend that the current school administration review the fiscal management of the school to determine the best way to improve controls over financial activities and properly monitor them to avoid recurrence of these findings in the future. We also recommend that the business office be evaluated by the current school administration to determine what changes are needed to improve its operations.

### Payroll

6. Our review of the payroll function disclosed that a total of eight administrators are responsible for reviewing and approving the payroll of employees under their area of supervision each pay period. Our review of the most recent payroll records disclosed the following discrepancies:
  - a. A total of 14 daily paid employees were reported present on the Final Rosters, although they had taken a total of 20 days in sick, personal, or vacation leave. Corrections were made at the request of the auditor. A similar condition was noted during the prior audit.
  - b. We noted many instances where hourly paid employees were either underpaid or overpaid several hours. There were underpayments of up to 17 hours, while overpayments ranged between 1 and 29 hours. Corrections were made at the request of the auditor. A similar condition was noted during the prior audit.

## LINDSEY HOPKINS TECHNICAL EDUCATION CENTER (Continued)

- c. In a few instances employees were paid days or hours that were not properly supported on the Daily Payroll Attendance Sheets. The administration provided memoranda justifying the reason for the payments; however, in one instance a payroll correction was required.
- d. In a few instances, leave cards were not presented for audit or the type of leave was not noted on the Daily Payroll Attendance Sheets.
- e. Official Daily Payroll Attendance Sheets were not used to record attendance; instead, each department prepared its own attendance sheets. These attendance sheets, however, were often incomplete and difficult to review since they did not include a space for each employee to indicate total hours worked for each day or for the pay period.
- f. Attendance sheets prepared by each department were not used by the payroll clerk to input the payroll information into the system. Instead, each responsible administrator would submit a signed summary payroll roster corresponding to the staff under his/her supervision, and that summary would then be used by the payroll clerk to input the information into the payroll system. However, we noted several instances where these summary payroll rosters did not match the attendance on the corresponding attendance sheets prepared by the departments.
- g. Payroll records were generally disorganized and incomplete. In several instances, additional documentation was required to verify the payroll reported; however, the additional records were not promptly provided and in several instances, repeated requests had to be made to the payroll clerk.

We reviewed an additional payroll after these issues were brought to the attention of payroll clerk and, although improved, we still found some errors. The Payroll Processing Procedures manual establishes the procedures for processing and monitoring the payroll and for properly maintaining payroll records. We recommend compliance with the established procedures. We also recommend that the current administration review the payroll for the prior school year to determine if additional corrections are needed.

### OTHER COMMENTS

#### Internal Funds

The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. However, as indicated by the findings, the current school administration should emphasize adherence to the policies and procedures in the Manual of Internal Accounting, which establishes the system of internal controls designed by the District administration.

#### Property

There were no significant audit exceptions noted in our review of property records.

**LINDSEY HOPKINS TECHNICAL EDUCATION CENTER  
STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)  
FOR THE 2002-03 FISCAL YEAR  
JULY 1, 2002 THROUGH JUNE 30, 2003**

FUND	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENTS	NET TRANSFERS	ENDING BALANCE
CLASSES AND CLUBS	\$ 74,902.14	\$ 215,742.77	\$ 170,162.96	\$ (763.05)	\$ 119,718.90
TRUST	25,339.46	277,172.20	265,851.85	5,239.75	41,899.56
SCHOOL STORE (1)	69,139.25	229,072.72	150,292.85	3,964.64	151,883.76
INSTRUCTIONAL AIDS & MAT	0.00	781.68	0.00	0.00	781.68
GENERAL	8,683.40	152,350.78	87,102.10	(27,507.30)	46,424.78
INSTRUCTIONAL MAT & SUP	10,973.39	12,266.62	8,563.49	(1,728.12)	12,948.40
ADULT EDUCATION	148,438.90	1,076,846.68	1,233,621.58	8,336.00	0.00
COMMUNITY SCHOOL	0.00	100.00	0.00	0.00	100.00
FOOD SERVICE (2)	109,509.69	249,673.43	244,973.81	14,162.05	128,371.36
PRODUCTION SERVICE PROG	115,947.93	94,590.22	66,847.90	(1,703.97)	141,986.28
<b>TOTAL</b>	<b>\$ 562,934.16</b>	<b>\$ 2,308,597.10</b>	<b>\$ 2,227,416.54</b>	<b>-</b>	<b>\$ 644,114.72</b>

(1) SEE EXHIBIT B FOR FURTHER ANALYSIS OF GROSS PROFIT AN NET INCOME (LOSS).

(2) SEE EXHIBIT C FOR FURTHER ANALYSIS OF GROSS PROFIT AND NET INCOME (LOSS).

**LINDSEY HOPKINS TECHNICAL EDUCATION CENTER  
STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)  
FOR THE 2003-04 FISCAL YEAR  
JULY 1, 2003 THROUGH JUNE 30, 2004**

FUND	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENTS	NET TRANSFERS	ENDING BALANCE
CLASSES AND CLUBS	\$ 119,718.90	\$ 235,895.96	\$ 151,221.17	\$ (4,002.11)	\$ 200,391.58
TRUST	41,899.56	244,001.99	254,831.79	3,496.66	34,566.42
SCHOOL STORE (1)	151,883.76	187,872.30	194,602.40	10,317.59	155,471.25
INSTRUCTIONAL AIDS & MAT	781.68	0.00	0.00	(781.68)	0.00
GENERAL	46,424.78	175,475.96	123,550.62	31,764.91	130,115.03
INSTRUCTIONAL MAT & SUP	12,948.40	16,846.10	8,903.44	(7,891.06)	13,000.00
ADULT EDUCATION	0.00	1,069,493.83	1,079,458.57	9,964.74	0.00
COMMUNITY SCHOOL	100.00	0.00	0.00	0.00	100.00
FOOD SERVICE (2)	128,371.36	262,165.56	272,974.58	17,695.79	135,258.13
PRODUCTION SERVICE PROG	141,986.28	49,661.57	38,202.10	(60,564.84)	92,880.91
<b>TOTAL</b>	<b>\$ 644,114.72</b>	<b>\$ 2,241,413.27</b>	<b>\$ 2,123,744.67</b>	<b>-</b>	<b>\$ 761,783.32</b>

(1) SEE EXHIBIT B FOR FURTHER ANALYSIS OF GROSS PROFIT AN NET INCOME (LOSS).

(2) SEE EXHIBIT C FOR FURTHER ANALYSIS OF GROSS PROFIT AND NET INCOME (LOSS).

LINDSEY HOPKINS TECHNICAL EDUCATION CENTER  
 STATEMENT OF INCOME – SCHOOL STORE  
 JULY 1, 2002 THROUGH JUNE 30, 2004  
 (COMPARED TO THE 2001-02 FISCAL YEAR)

	2001-02	2002-03	2003-04
TOTAL SALES	\$ 206,062	\$ 195,205	\$ 208,994
COST OF SALES			
Beginning Inventory	92,215	39,734	40,817
Purchases	128,288	155,122	180,974
Total Inventory Available for Sale	220,503	194,856	221,791
Less: Ending Inventory	39,734	40,817	49,489
TOTAL COST OF SALES	180,769	154,039	172,302
GROSS PROFIT (SEE NOTE 1)	25,293	41,166	36,692
OPERATING EXPENSE (SEE NOTE 2)	0	414	394
NET INCOME	\$ 25,293	\$ 40,752	\$ 36,298

**Notes:**

- (1) The School Store includes the sales and purchases of textbooks and other school supplies.
- (2) These amounts do not include operating salaries and related employee benefits, which are funded through the regular budgetary process.

LINDSEY HOPKINS TECHNICAL EDUCATION CENTER  
 STATEMENT OF INCOME – FOOD PROGRAM  
 JULY 1, 2002 THROUGH JUNE 30, 2004  
 (COMPARED TO THE 2001-02 FISCAL YEAR)

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
TOTAL SALES	\$ 281,501	\$ 263,580	\$ 279,642
COST OF SALES			
Beginning Inventory	16,623	13,963	22,618
Purchases	<u>193,262</u>	<u>191,678</u>	<u>212,735</u>
Total Inventory Available for Sale	209,885	205,641	235,353
Less: Ending Inventory	<u>13,963</u>	<u>22,618</u>	<u>20,775</u>
TOTAL COST OF SALES	<u>195,922</u>	<u>183,023</u>	<u>214,578</u>
GROSS PROFIT	<u>85,579</u>	<u>80,557</u>	<u>65,064</u>
OPERATING EXPENSES			
Cleaning Supplies	4,049	6,341	6,597
Employee and Student Meals	21,760	18,927	24,764
Paper Supplies	20,689	26,083	27,063
Miscellaneous Expenses	<u>551</u>	<u>1,944</u>	<u>1,816</u>
TOTAL OPERATING EXPENSES*	<u>47,049</u>	<u>53,295</u>	<u>60,240</u>
NET INCOME	<u>\$ 38,530</u>	<u>\$ 27,262</u>	<u>\$ 4,824</u>


\* These amounts do not include all operating salaries and related employee benefits, which are funded through the regular budgetary process.



**MEMORANDUM**

**RDB-#114**  
December 9, 2004

**TO:** Dr. Essie S. Pace, Region Superintendent  
Region Center IV

**FROM:** Rosa D. Borgen, Principal   
Lindsey Hopkins Technical Education Center

**SUBJECT:** **RESPONSE TO INTERNAL AUDIT LINDSEY HOPKINS  
TECHNICAL EDUCATIONAL CENTER FOR JULY 1, 2002-  
2003 AND 2003-2004**

The principal has implemented corrective and preventative strategies in response to the cited audit exceptions for the period of July 2002 through June 30, 2003 and July 1, 2003 through June 30, 2004. The principal met with the treasurers, payroll clerks, the school's business manager and the vice principal and assistant principals to thoroughly review the Audit Report.

During the 2004-2005 school year, the principal will take an active role in monitoring the Internal Accounts funds and the payroll. The principal will meet monthly with the above-mentioned staff to monitor compliance to procedures and ensure that supporting documentation is maintained. Revised procedures that conform to the stipulations governed by the **new Manual of Internal Fund Accounting** have been established for the collection of monies and the posting of funds. Revised procedures that conform to the **Payroll Procedures Manual** have also been established.

The principal will confer with the Region Center IV Administrative Director and District Business Manager for support in maintaining compliance with all guidelines found in the **new Manual of Internal Fund Accounting**.

Should you have any questions or concerns, please contact me at (305) 324-6579. Your assistance is sincerely appreciated.

RDB:gjw

cc: Mr. Jorge L. Garcia

# LINDSEY HOPKINS TECHNICAL EDUCATION CENTER

Rosa D. Borgen, Principal

## Action Plan for the 2002-2003 & 2003-2004 Audit Exceptions at Lindsey Hopkins Technical Education Center

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
1. <u>Financial Management and Records</u>	<p>1A. The principal met with the business manager, treasurer, and appropriate clerical staff and reviewed Section 2-4 of the <u>Manual of Internal Accounting</u> and Section III, Chapter 4 of the <u>new Manual of Internal Fund Accounting</u>. (December 2004)</p> <p>The principal met with the business manager and treasurer and directed that they check postings each day using the Daily Input Activity report to ensure that the proper accounts are credited. The principal directed the vice principal to monitor this daily activity conducted by the business manager and treasurer. (December 2004)</p> <p>1B. The principal met with the business manager and the treasurer and instructed them to contact the Florida Department of Revenue for a refund on overpayments. The principal directed that only monies collected and posted in the tax accounts be forwarded to the Florida Department of Revenue. (December 2004)</p>	<p>The principal will monitor the activities of the business manager to ensure that he follows proper procedures as outlined in the <u>new Manual of Internal Fund Accounting</u>. During a monthly review, issues and concerns will be addressed with the business manager.</p> <p>The principal and business manager will meet on a monthly basis to check for accurate postings and account balances. Discrepancies will be addressed immediately.</p> <p>The principal and business manager will monitor sales tax to ensure that proper amounts are submitted to the State of Florida. They will continue efforts to correct overpayment of sales tax.</p>	<p>Principal Business Manager Treasurer Clerical</p> <p>Principal Business Manager Treasurer</p> <p>Principal Business Manager Vice Principal</p>

# LINDSEY HOPKINS TECHNICAL EDUCATION CENTER

Rosa D. Borgen, Principal

## Action Plan for the 2002-2003 & 2003-2004 Audit Exceptions at Lindsey Hopkins Technical Education Center

AUDIT EXCEPTION(S)	AUDIT RESPONSES			PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES		
1. <u>Financial Management and Records</u>	1C. The principal met with the business manager and treasurer and directed them to immediately transfer money to the Dental Clinic, Food Production, and Child Care expense accounts in order to offset negative balances. (December 2004)	During the monthly review, the principal and the business manager will review expenditures in the Dental Clinic, Food Production and Child Care accounts to ensure that proper transfers are made to these accounts. Discrepancies will be addressed immediately.		Principal Treasurer Business Manager
	1D. The principal met with the business manager and treasurer and directed them to reconcile the credit card account to the MSAF accounting system. (December 2004)	During the monthly review, the principal will reconcile the checkbook balance for the credit card account to the MSAF system. Discrepancies will be addressed immediately.		Principal Treasurer Business Manager

# LINDSEY HOPKINS TECHNICAL EDUCATION CENTER

Rosa D. Borgen, Principal

## Action Plan for the 2002-2003 & 2003-2004 Audit Exceptions at Lindsey Hopkins Technical Education Center

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
1. <u>Financial Management and Records</u>	<p>2. The principal discussed with the business manager, cashiers, and the treasurer Section II, Chapters 2 &amp; 3 of the new <u>Manual of Internal Fund Accounting</u> and Chapter 4 of the new <u>Adult and Applied Technology Education Procedures Manual</u>. She further directed the treasurer and the clerk responsible for posting to VACS to independently post the deposits to the MSAF system and VACS system. (December 2004)</p> <p>The principal directed the two (2) day cashiers and also the one (1) evening cashier to prepare recaps of collections. In addition, the principal trained each of the cashiers and administrative staff in the correct preparation of deposit documentation procedures. (December 2004)</p>	<p>The principal will periodically spot check the deposits to ensure that they are being processed as per her directives. If this is not occurring, she will discuss this with the appropriate personnel for correction. She will ensure that the business manager is also monitoring this procedure. Errors and discrepancies will be immediately corrected.</p>	<p>Principal Vice Principal Business Manager Treasurer Cashiers</p> <p>Principal Vice Principal Business Manager Treasurer Cashiers</p>

# LINDSEY HOPKINS TECHNICAL EDUCATION CENTER

Rosa D. Borgen, Principal

## Action Plan for the 2002-2003 & 2003-2004 Audit Exceptions at Lindsey Hopkins Technical Education Center

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
1. <u>Financial Management and Records</u>	3. The principal directed the business manager and treasurer to reconcile the Bus Pass account. Further, the principal directed the business manager to submit the amount of bus passes given to eligible Skills for Academic Vocational and English Studies (SAVES) students to the district for reimbursement. (December 2004)	Effectively immediately, the adult education students will purchase the bus passes directly from the transit agency. Lindsey Hopkins Technical Education Center will no longer sell bus passes.  The principal, during each monthly review, will monitor this account until there is a resolution to the issues pending from this account.	Principal Vice Principal Business Manager  Principal
	4. The principal discussed with the business manager and the clerk responsible for processing the agency billings the sections of Chapter 4 of the new <u>Adult and Applied Technology Education Procedures Manual</u> that relate to agency billings.	Periodically, the principal will review the procedures as outlined in the manual to ensure continuous adherence to guidelines. If problems exist, these will be addressed immediately.	Principal

# LINDSEY HOPKINS TECHNICAL EDUCATION CENTER

Rosa D. Borgen, Principal

## Action Plan for the 2002-2003 & 2003-2004 Audit Exceptions at Lindsey Hopkins Technical Education Center

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
1. <u>Financial Management and Records</u>	<p>The principal wrote correspondence to the district budget analyst to attempt canceling the old agency balances from the school's list and/or submitting them to a collection agency. (December 2004)</p> <p>The principal has directed the business manager and his assistant to send correspondence on a monthly basis to those agencies owing monies to the school. Any and all other attempts at collection must be documented by keeping a log. The principal directed the business manager to immediately correspond with these agencies owing monies to the school to attempt collection. (December 2004)</p>	<p>During the monthly review, the principal will review the outstanding agency billing reports to ensure timely processing. Discrepancies will be addressed immediately.</p> <p>The principal will review the log to ensure that correspondence has been mailed in an effort to collect from agencies. Follow-up will be continuous to ensure that this procedure is ongoing.</p>	<p>Principal Business Manager Clerical</p> <p>Principal Business Manager</p>

# LINDSEY HOPKINS TECHNICAL EDUCATION CENTER

Rosa D. Borgen, Principal

## Action Plan for the 2002-2003 & 2003-2004 Audit Exceptions at Lindsey Hopkins Technical Education Center

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
1. <u>Financial Management and Records</u>	<p>5. The principal has directed the business manager to supervise and monitor all internal funds activities. (December 2004)</p> <p>The principal has directed the one treasurer to post to VACS. She has directed the other treasurer to post to MSAF separately and independent of each other. (December 2004)</p>	<p>The principal will spot check the activities of the treasurers to ensure that they are following her directives. Issues will be addressed immediately.</p>	<p>Principal Business Manager Treasurer</p> <p>Principal Treasurer</p>
6. <u>Payroll</u>	<p>A. The principal met with each administrator and payroll preparer and discussed the audit findings and reviewed the <u>Payroll Processing Procedures</u> manual. (December 2004)</p> <p>The principal directed each administrator and payroll preparer to check Daily attendance sheets each day to verify and indicate type of leave taken or the presence of employees. (December 20004)</p>	<p>The principal, vice principal and assistant principals will form a review committee that will check each payroll with the working payroll roster. The review committee will also review the final payroll. Errors will be corrected immediately and discussed with the payroll preparer.</p> <p>During the review, the committee will ensure that the daily and hourly payrolls are correct, that leave cards match, and there is proper documentation which support the rosters.</p>	<p>Principal Vice Principal Assistant Principals Payroll Clerk</p> <p>Principal Vice Principal Assistant Principals Payroll Clerk</p>

# LINDSEY HOPKINS TECHNICAL EDUCATION CENTER

Rosa D. Borgen, Principal

## Action Plan for the 2002-2003 & 2003-2004 Audit Exceptions at Lindsey Hopkins Technical Education Center

AUDIT EXCEPTION(S)	AUDIT RESPONSES			PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES		
6. <u>Payroll</u>	<p>B. The principal directed each administrator and payroll preparer to check the hourly payroll Daily Payroll Attendance Sheets each day in order to verify that employees have indicated correct number of hours worked. (December 2004)</p> <p>C. The principal directed each administrator to check daily attendance sheets each day in order to verify employees have indicated correctly days or hours worked. (December 2004)</p> <p>D. The principal directed each administrator to check the daily attendance sheets each day to verify leave status, and prepare leave cards as indicated. Those leave cards will be given to the payroll clerk with the Daily Payroll Attendance sheets. (December 2004)</p>	<p>The principal on a random basis will check the Daily Payroll Attendance Sheets to ensure that employees are signing in daily and that the payroll clerk is indicating the kind of leave for absent employees. Discrepancies will be addressed immediately.</p> <p>During the review, the committee will ensure that all documentation is presented. Discrepancies will be addressed immediately.</p>		<p>Principal Vice Principal Assistant Principals</p> <p>Principal Vice Principal Assistant Principals Payroll Clerk</p> <p>Principal Vice Principal Assistant Principals Payroll Clerk</p>



# LINDSEY HOPKINS TECHNICAL EDUCATION CENTER

Rosa D. Borgen, Principal

## Action Plan for the 2002-2003 & 2003-2004 Audit Exceptions at

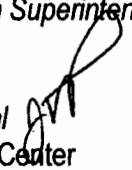
Lindsey Hopkins Technical Education Center

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
6. <u>Payroll</u>	<p>E. The principal directed the payroll clerk to use the official Daily Payroll Attendance Sheets to input the payroll information. The payroll clerk will print the working roster which will be reviewed to ensure attendance and attendance sheet match. (December 2004)</p>		Principal Payroll Clerk
	<p>F. The principal directed the payroll clerk to maintain and store payroll records as indicated in the Payroll Processing Procedures manual.</p>	<p>At the end of each pay period, the principal will ensure that records are organized and properly stored for audit.</p>	Principal Payroll Clerk

**M E M O R A N D U M**

**JVP/2004-05/#100**  
December 9, 2004

**TO:** Dr. Essie S. Pace, *Region Superintendent*  
Region Center IV

**FROM:** James V. Parker, *Principal*   
Miami Lakes Educational Center

**SUBJECT: RESPONSE TO INTERNAL AUDIT LINDSEY HOPKINS TECHNICAL  
EDUCATION CENTER FOR JULY 1, 2002 THROUGH JUNE 30, 2004.**

The Principal has developed and implemented corrective and preventative strategies at his new school in response to the cited audit exceptions at Lindsey Hopkins Technical Education Center for the period of July 1, 2002 through June 30, 2004. The principal met with the Treasurer, Vice Principals, Assistant Principals, Payroll Clerk, Alternate Payroll Clerk, and the school's Business Manager and thoroughly reviewed the Lindsey Hopkins Technical Education Center Audit Report.

During the 2004- 2005 school year, the Principal will take an active role in monitoring the Internal Accounts funds and payroll. The Principal will meet monthly with the above-mentioned staff to monitor compliance with procedures and ensure that supporting documentation is maintained.

The Principal will confer with the Region Center Administrative Director and District Business Manager for support in maintaining compliance with all guidelines found in the Manual of Internal Accounting.

Should you have any questions or concerns, I can be contacted at (305) 557-4940. Your assistance is sincerely appreciated.

JVP/sc

cc: Mr. Jorge L. Garcia  
Ms. Marie F. Harrison

**MIAMI LAKES EDUCATIONAL CENTER  
MR. JAMES V. PARKER, PRINCIPAL**

**Action Plan for the 2002 – 2004 Audit Exceptions at Lindsey Hopkins Technical Education Center**

AUDIT EXCEPTIONS	RESPONSES		PERSONS RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTION(S)	PREVENTIVE MONITORING STRATEGIES	
<b>1. Financial Management and Records</b>	<p>1A. The Principal met with the Business Manager and the Treasurer of his new school and reviewed their posting process. (December 2004)</p> <p>The Principal reviewed with Treasurer and Business Manager Section III, Chapter 4 of the new <u>Manual of Internal Fund Accounting</u>. (December 2004)</p>	<p>1A. On a weekly basis the Principal will review with the Treasurer a deposit package to ensure that postings are made in a timely manner to the correct accounts. All discrepancies will be addressed immediately.</p>	Principal Treasurer
	<p>1B. The Principal met with the Business Manager and Treasurer and reviewed the Monthly Operating Report, including the sales tax account, to ensure there were no negative balances at his new school. (December 2004)</p>	<p>1B. Prior to the monthly closing the Principal will review the Trust Accounts to ensure there are no negative balances. Any discrepancies noted during this review will be immediately addressed with the Treasurer.</p>	Principal Business Manager Treasurer
	<p>1C. The Principal met with the Business Manager and Treasurer of his new school and reviewed all expenditure accounts to ensure there were no deficit balances. (December 2004)</p> <p>The Principal reviewed with the Business Manager and Treasurer Section III, Chapter 10 Adult Education Programs of the New Manual of Internal Fund Accounting. (December 2004)</p> <p>The Principal, Business Manager and Treasurer reviewed the program account structures and ensured that the expenditure accounts structure matched the program revenue account structure at his new school. (December 2004)</p>	<p>1C. On a monthly basis the Principal will review with the Treasurer all Food Production and Child Care Program expenditure accounts and ensure that revenues have been transferred to clear these accounts. Any discrepancies noted will be immediately corrected and addressed with the treasurer. This location does not have a Dental Clinic.</p> <p>The Principal will randomly review expenditure account balances in MSFAF to ensure there are no deficit balances. Any discrepancies noted during this review will be immediately addressed with the Treasurer.</p>	Principal Business Manager Treasurer
	<p>1D. The Principal reviewed with the Business Manager and Treasurer at his new school the checkbook balances for the credit card accounts to ensure they were reconciled to the MSFAF (Accounting) System. (December 2004)</p> <p>The Principal reviewed with the Business Manager and Treasurer Credit Card Procedures pages 66 thru 68 of the Adult and Applied Technology Education Procedures Manual. (December 2004)</p>	<p>1D. On a weekly basis the Principal will review with the Treasurer the checkbook balances for the credit card to ensure they have been reconciled to the MSFAF (Accounting) System. Any discrepancies will be immediately corrected and addressed with the Treasurer.</p>	Principal Treasurer

**MIAMI LAKES EDUCATIONAL CENTER**  
**MR. JAMES V. PARKER, PRINCIPAL**  
**Action Plan for the 2002 – 2004 Audit Exceptions at Lindsey Hopkins Technical Education Center**

AUDIT EXCEPTIONS	RESPONSES		PERSONS RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTION(S)	PREVENTATIVE MONITORING STRATEGIES	
<p><u>Financial Management and Records</u></p> <p>2.</p>	<p>2. The Principal reviewed the deposit process with the Business Manager and Treasurer at his new school to ensure that collections from morning and afternoon activities were deposited in two separate packages, and that these deposits were posted separately to the MSAF System. (December 2004)</p> <p>The Principal reviewed with the Business Manager and Treasurer all collections to ensure that each activity within a deposit was individually receipted in MSAF. (December 2004)</p> <p>The Principal met with the Business Manager and Treasurer to ensure that a daily reconciliation between the MSAF, VACS systems, and the deposit packages was being conducted at his new school. (December 2004)</p> <p>The Principal reviewed with the Business Manager and Treasurer Section II, Chapters 2 and 3 of the <u>new Manual of Internal Fund Accounting and Chapter 4 of the new Adult and Applied Technology Education Procedures Manual.</u> (December 2004)</p>	<p>2. Randomly, on a weekly basis, the Principal will review morning and afternoon collections and ensure they were deposited in two separate packages and posted separately to the MSAF System. Any discrepancies will be addressed immediately.</p> <p>On a weekly basis, the Principal will review selected collections to ensure that each activity within the deposit is individually receipted. All discrepancies will be corrected and addressed with the Treasurer immediately.</p> <p>On a weekly basis, the Principal will review a random deposit to ensure that reconciliation between MSAF, VACS and the deposit package was done. Any discrepancies will be immediately addressed with the treasurer.</p>	<p>Principal Business Manager Treasurer</p>
<p><u>Financial Management and Records</u></p> <p>3.</p>	<p>3. The Principal met with the Business Manager and Treasurer and reviewed accounts. (August 04) This location does not have a Bus Pass account. If an account of this type were opened, the listed preventative monitoring strategies would be implemented.</p>	<p>3. The Principal on a monthly basis would review the Bus Pass account and ensure that all reimbursement requests had been submitted in a timely manner. Any deficit balances would be investigated and corrected immediately.</p> <p>The Principal, on a monthly basis, would review the Bus Pass account to ensure that credits to the school by the transit agency were applied to subsequent purchases of bus passes. Any discrepancy would be corrected immediately.</p> <p>The Principal, on a monthly basis, would review the reconciliation of the Bus Pass account.</p>	<p>Principal</p>

**MIAMI LAKES EDUCATIONAL CENTER  
MR. JAMES V. PARKER, PRINCIPAL**

**Action Plan for the 2002 – 2004 Audit Exceptions at Lindsey Hopkins Technical Education Center**

AUDIT EXCEPTIONS	RESPONSES		PERSONS RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTION(S)	PREVENTATIVE MONITORING STRATEGIES	
<p><u>Financial Management and Records</u></p> <p>4.</p>	<p>4. The Principal met with the Business Manager and the Billing Clerk to review the procedures for Agency Billing. He reviewed Chapter 4 pages 43 and 44 of the <u>Adult and Applied Technology Education Procedures Manual</u> with both the Business Manager and the Billing Clerk. (December 2004)</p>	<p>4. Currently, the Billing Clerk mails invoices by Return Receipt/Certified Mail. A monthly Outstanding Agency Billing Report is requested through the VACS System. This report is used as the basis for all agency billings by the school. The Billing Clerk indicates the school invoice number generated next to each student record billed to an agency.</p> <p>On a monthly basis, the Principal will review this report to ensure that all agencies have been invoiced. Currently, the school mails the second request invoices. In the future all outstanding invoices to agencies will also be followed up with a telephone call. A letter will be drafted to all agencies stating the requirement that all outstanding balances must be paid 12 weeks after the student registers. This will be strictly enforced starting with the current trimester.</p> <p>5. By January 2005, the Principal will evaluate the business office and determine what changes are needed to improve its operations, if any.</p> <p>In January 2005, the Principal will implement any changes in the business office needed to improve its operations.</p> <p>Each pay period the Principal and Vice Principals will jointly review the working payroll roster, juxtaposed to the final payroll roster to ensure that they correctly record daily employees' sick, personal, and vacation leave. Any discrepancies will be changed immediately and addressed with the Payroll Clerk.</p>	<p>Principal Business Manager Billing Clerk</p>
<p><u>Financial Management and Records</u></p> <p>5.</p>	<p>5. The Principal met with the Business Manager and Treasurer and reviewed the fiscal management of his new school. (December 2004)</p>		<p>Principal Business Manager Treasurer</p>
<p><u>Payroll</u></p> <p>6.</p>	<p>6. The Principal met with the Business Manager, Treasurer, Payroll Clerk and Alternate Payroll Clerk and reviewed the payroll process at his new school. (December 2004)</p> <p>The Principal reviewed the <u>Payroll Processing Procedures Manual</u> with the Business Manager, Treasurer, Payroll Clerk, Alternate Payroll Clerk, Vice Principals and Assistant Principals at his new school. (December 2004)</p> <p>The principal directed the payroll clerks to pay particular attention to the proper maintenance of the Daily Payroll Attendance Sheets, especially, the calculation of hours. (December 2004)</p>		<p>Principal Vice Principal Assistant Principals Payroll Clerk Alternate Payroll Clerk</p>

**MIAMI LAKES EDUCATIONAL CENTER  
MR. JAMES V. PARKER, PRINCIPAL**

**Action Plan for the 2002 – 2004 Audit Exceptions at Lindsey Hopkins Technical Education Center**

AUDIT EXCEPTIONS	RESPONSES		PERSONS RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTION(S)	PREVENTIVE MONITORING STRATEGIES	
<p>6. <u>Payroll (Cont'd)</u></p>	<p>Official Daily Payroll Attendance sheets will be utilized and reviewed on a daily basis by the Principal. (December 2004)</p> <p>Each pay period, the Principal and Vice Principals will review the Daily Payroll Attendance sheets against the working and final payroll rosters. (December 2004)</p> <p>The principal directed all employees requesting temporary duty to submit all documentation prior to the event. (December 2004)</p>	<p>Each pay period the Principal, Vice Principals, and Payroll Clerk will review and calculate the time sheets of all hourly paid employees. Any discrepancies will be changed immediately and addressed with the Payroll Clerk.</p> <p>Each pay period when the Principal and Vice Principals review the Daily Payroll Attendance sheets against the working and final payroll rosters, they will ensure that documentation is present to support the reason for temporary duty payments to employees. Noted errors will be corrected and discussed with the Payroll Clerk.</p> <p>Each pay period the Principal and Vice Principals will review the working roster, final roster and leave cards to ensure they are present and correctly completed.</p> <p>Each pay period the Principal and Vice Principals will review attendance sheets, working rosters, and final roster to ensure they match.</p> <p>Each payroll period the Principal, Vice Principals, and Payroll Clerk will review all payroll records to ensure they are organized and complete and are maintained in one central area. These will be filed for audit.</p>	<p>Principal Vice Principal Assistant Principals Payroll Clerk Alternate Payroll Clerk</p>

CORAL GABLES ADULT EDUCATION CENTER  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 450 Bird Road, Coral Gables, Florida 33146

Date Center Established: 1974

Principal: Dr. Fred Pullum

Treasurer: Ms. Caridad Reboyro

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
City National Bank of Florida	--	0.10	\$ 50,197.37	\$ 69,902.42
Credit Card Account:				
SunTrust Bank	--	--	4,694.66	6,000.36
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37	287,150.15	
	Open-end	1.86		292,957.34
TOTAL			<u>\$342,042.18</u>	<u>\$368,860.12</u>

AUDIT EXCEPTIONS

None

OTHER COMMENT

There were no significant audit exceptions noted in our review of the internal funds and property records. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in funds balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.

VOCATIONAL/ADUL

SCHOOL - 7072 CORAL GABLES SR ADULT

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	45,434.17	15,681.16	8,859.27	.00	52,256.06
SCHOOL STORE	163,282.19	49,283.91	47,888.01	573.10	165,251.19
INSTRUCTIONAL AIDS	27,378.42	.00	456.10	.00	26,922.32
GENERAL	78,550.81	11,096.02	203.74	.00	89,443.09
INSTRUCTIONAL MATE	8,652.83	3,832.05	7,635.55	573.10	4,276.23
ADULT EDUCATION	774.00	47,913.00	48,687.00	.00	.00
COMMUNITY SCHOOL	692.00	173,193.66	169,992.37	.00	3,893.29
<b>TOTAL</b>	<b>324,764.42</b>	<b>300,999.80</b>	<b>283,722.04</b>	<b>.00</b>	<b>342,042.18</b>

CHECKING	54,892.03	INVESTMENTS	.00	SBMMF	287,150.15	TOTAL	342,042.18
			ACCOUNTS PAYABLE		.00		



AS OF: 06/30/04  
 PRODUCT NO. T22160601

MIAMI-DADE COUNTY PUBLIC SCHOOLS  
 SCHOOL INTERNAL FUNDS - ANNUAL FINANCIAL REPORT

RUN DATE: 07/29/04

VOCATIONAL/ADULT

SCHOOL - 7072 CORAL GABLES SR ADULT

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	52,256.06	18,816.42	14,206.78	158.00	57,023.70
SCHOOL STORE	165,251.19	72,325.68	67,288.59	160.06	170,448.34
INSTRUCTIONAL AIDS	26,922.32	.00	.00	.00	26,922.32
GENERAL	89,443.09	11,485.93	4,884.65	.00	96,044.37
INSTRUCTIONAL MAT.	4,276.23	8,024.63	4,239.70	-160.06	7,901.10
ADULT EDUCATION	.00	36,998.00	36,983.00	.00	15.00
COMMUNITY SCHOOL	3,893.29	48,692.80	41,922.80	-158.00	10,505.29
<b>TOTAL</b>	<b>342,042.18</b>	<b>196,343.46</b>	<b>169,525.52</b>	<b>0.00</b>	<b>368,860.12</b>

CHECKING 75,902.78	INVESTMENTS .00	SBMMF 292,957.34	TOTAL	368,860.12
	ACCOUNTS PAYABLE .00			

D. A. DORSEY ADULT EDUCATION CENTER  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER\*

Address: 7100 N. W. 17 Avenue, Miami, Florida 33147

Date Center Established: 1968

Principal During Audit Period: Ms. Rose Martin (Through July 2004; presently District Director, Vocational Curriculum at Instructional Technology)

Current Principal: Ms. Gloria Evans

Treasurer: Ms. Patrice A. Palmer

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
<u>Checking Account:</u>				
Wachovia Bank, N.A	--	0.14	\$41,661.26	
	--	0.10		\$50,405.21
<u>Investment:</u>				
MDCPS-Money Market Pool Fund	Open-end	2.37	33,036.98	
	Open-end	1.86		33,704.88
<b>TOTAL</b>			<b><u>\$74,698.24</u></b>	<b><u>\$84,110.09</u></b>

AUDIT EXCEPTIONS

None

OTHER COMMENTS

Internal Funds, Procurement Credit Card, and Payroll

There were no significant audit exceptions noted in our review of the internal funds and procurement credit card records. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.

Property

The latest property inventory results were reported in June 2004, which showed "no unlocated" items. A property inventory for this center will be conducted in the latter part of this fiscal year.

\* Effective July 2002, Northwestern Adult Education Center was consolidated with D. A. Dorsey Adult Education Center.

VOCATIONAL/ADUL

SCHOOL - 8139 MIAMI DORSEY SKILL CEN

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
CLASSES AND CLUBS	128.02	.00	.00	.00	128.02
TRUST	31,573.45	87,999.72	69,642.82	703.59-	49,226.76
SCHOOL STORE	6,246.54	50,907.31	47,097.82	1,994.21	12,050.24
INSTRUCTIONAL AIDS	1,499.91	1,542.50	.00	.00	3,042.41
GENERAL	1,695.39	8,519.71	5,827.28	670.69	5,058.51
INSTRUCTIONAL MATE	3,264.65	19,870.48	18,987.16	1,938.31-	2,209.66
ADULT EDUCATION	.00	161,113.00	161,090.00	23.00-	.00
COMMUNITY SCHOOL	801.44	1,655.50	.00	.00	2,456.94
PRODUCTION/SERVICE	852.57	48.12	374.99	.00	525.70
<b>TOTAL</b>	<b>46,061.97</b>	<b>331,656.34</b>	<b>303,020.07</b>	<b>.00</b>	<b>74,698.24</b>

CHECKING	41,661.26	INVESTMENTS	.00	SBMMF	33,036.98	TOTAL	74,698.24
				ACCOUNTS PAYABLE	.00		

AS OF: 06/30/04  
 PRODUCT NO. T22160601

MIAMI-DADE COUNTY PUBLIC SCHOOLS  
 SCHOOL INTERNAL FUNDS - ANNUAL FINANCIAL REPORT

RUN DATE: 07/29/04

VOCATIONAL/ADULT

SCHOOL - 8139 MIAMI DORSEY SKILL CENTER

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
CLASSES AND CLUBS	128.02	.00	.00	.00	128.02
TRUST	49,226.76	62,249.25	66,580.93	-709.13	44,185.95
SCHOOL STORE	12,050.24	43,842.11	28,519.43	2,330.53	29,703.45
INSTRUCTIONAL AIDS	3,042.41	.00	.00	.00	3,042.41
GENERAL	5,058.51	14,584.52	15,454.43	511.50	4,700.10
INSTRUCTIONAL MAT.	2,209.66	14,361.03	13,566.23	-2,132.90	871.56
ADULT EDUCATION	.00	160,958.50	160,958.50	.00	.00
COMMUNITY SCHOOL	2,456.94	.00	1,605.50	.00	851.44
FOOD SERVICE	.00	225.67	.00	.00	225.67
PRODUCTION/SERVICE	525.70	283.85	408.06	.00	401.49
<b>TOTAL</b>	<b>74,698.24</b>	<b>296,504.93</b>	<b>287,093.08</b>	<b>0.00</b>	<b>84,110.09</b>

CHECKING 50,405.21	INVESTMENTS .00	SBMMF 33,704.88	TOTAL	84,110.09
	ACCOUNTS PAYABLE .00			

MIAMI CORAL PARK ADULT EDUCATION CENTER  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 8865 S.W. 16 Street, Miami, Florida 33165

Date Center Established: 1974

Principals: Mr. Alejandro V. Borbolla (Through June 2003; retired)  
 Mr. Robert D. Novak

Treasurer: Ms. Teresa D. Diaz

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
<u>Checking Account:</u>				
SunTrust Bank	--	0.15	\$27,291.75	
	--	0.10		\$37,893.65
<u>Credit Card Account:</u>				
SunTrust Bank	--	-	83.00	0.00
<u>Savings Account:</u>				
SunTrust Bank	--	0.39	9,296.04	
	--	0.15		9,317.59
<u>Investment:</u>				
MDCPS-Money Market Pool Fund	Open-end	2.37	36,841.91	
	Open-end	1.86		37,586.82
<b>TOTAL</b>			<b>\$73,512.70</b>	<b>\$84,798.06</b>

AUDIT EXCEPTIONS

None

OTHER COMMENTS

Internal Funds and Payroll

There were no significant audit exceptions noted in our review of the internal funds. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.

Property

The property inventory for this center is currently in progress. Results will be published at a later date, once completed.

VOCATIONAL/ADUL

SCHOOL - 7272 MIA CORAL PARK ADULT

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	8,378.22	25,181.53	26,584.08	873.55	7,849.22
SCHOOL STORE	58,462.67	51,206.27	58,308.69	222.32-	51,137.93
INSTRUCTIONAL AIDS	2,221.85	4,190.00	3,386.05	.00	3,025.80
GENERAL	2,425.38	1,049.97	2,080.28	200.00-	1,195.07
INSTRUCTIONAL MATE	10,739.01	4,260.99	4,569.09	451.23-	9,979.68
ADULT EDUCATION	105.00	5,772.00	5,772.00	.00	105.00
COMMUNITY SCHOOL	220.00	84,359.00	84,359.00	.00	220.00
<b>TOTAL</b>	<b>82,552.13</b>	<b>176,019.76</b>	<b>185,059.19</b>	<b>.00</b>	<b>73,512.70</b>

CHECKING 27,374.75 INVESTMENTS 9,296.04 SBMMF 36,841.91 TOTAL 73,512.70  
 ACCOUNTS PAYABLE .00

VOCATIONAL/ADULT

SCHOOL - 7272 MIA CORAL PARK ADULT

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	7,849.22	36,238.93	35,965.50	4,981.78	13,104.43
SCHOOL STORE	51,137.93	64,927.30	61,018.22	2,988.98-	52,058.03
INSTRUCTIONAL AIDS	3,025.80	4,150.00	2,743.54	.00	4,432.26
GENERAL	1,195.07	875.49	397.63	105.00	1,777.93
INSTRUCTIONAL MATE	9,979.68	21,233.80	16,272.27	1,992.80-	12,948.41
ADULT EDUCATION	105.00	6,721.00	6,721.00	105.00-	.00
COMMUNITY SCHOOL	220.00	81,283.00	81,026.00	.00	477.00
<b>TOTAL</b>	<b>73,512.70</b>	<b>215,429.52</b>	<b>204,144.16</b>	<b>.00</b>	<b>84,798.06</b>

CHECKING 37,893.65 INVESTMENTS 9,317.59 SBMMF 37,586.82 TOTAL 84,798.06  
 ACCOUNTS PAYABLE .00

MIAMI PALMETTO ADULT EDUCATION CENTER  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 7460 S. W. 118 Street, Miami, Florida 33156

Date Center Established: 1974

Principal: Dr. Edward Gehret

Treasurer: Ms. Milagros Porben

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
Wachovia Bank, N. A.	--	0.14	\$41,762.75	
	--	0.10		\$63,958.86
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37	17,472.57	
	Open-end	1.86		17,825.88
TOTAL			<u>\$59,235.32</u>	<u>\$81,784.74</u>

AUDIT EXCEPTIONS

None

OTHER COMMENT

There were no significant audit exceptions noted in our review of the internal funds and property records. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.



SCHOOL - 7432 MIA PALMETTO SR ADULT VOCATIONAL/ADUL

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	716.37	32,353.14	20,555.22	2,104.00	14,618.29
SCHOOL STORE	12,583.26	29,564.27	25,619.47	2,828.37	19,356.43
INSTRUCTIONAL AIDS	17,079.38	52,616.03	57,557.48	66.96	12,204.89
GENERAL	12,401.99	952.27	4,630.59	194.00-	8,529.67
INSTRUCTIONAL MATE	7,737.28	38,382.40	36,661.31	4,932.33-	4,526.04
ADULT EDUCATION	.00	.00	194.00	194.00	.00
COMMUNITY SCHOOL	.00	76,135.00	76,068.00	67.00-	.00
<b>TOTAL</b>	<b>50,518.28</b>	<b>230,003.11</b>	<b>221,286.07</b>	<b>.00</b>	<b>59,235.32</b>

CHECKING 41,762.75 INVESTMENTS .00 SBMMF 17,472.57 TOTAL 59,235.32  
 ACCOUNTS PAYABLE .00

VOCATIONAL/ADULT  
 SCHOOL - 7432 MIA PALMETTO SR ADULT

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	14,618.29	30,970.10	28,541.54	1,140.38	18,187.23
SCHOOL STORE	19,356.43	28,896.64	23,917.32	350.17-	23,985.58
INSTRUCTIONAL AIDS	12,204.89	43,520.67	33,732.81	150.50-	21,842.25
GENERAL	8,529.67	594.21	2,043.78	524.10	7,604.20
INSTRUCTIONAL MATE	4,526.04	57,422.19	50,867.94	914.81-	10,165.48
ADULT EDUCATION	.00	460.00	266.00	194.00-	.00
COMMUNITY SCHOOL	.00	48,578.00	48,523.00	55.00-	.00
TOTAL	59,235.32	210,441.81	187,892.39	.00	81,784.74

CHECKING 63,958.86 INVESTMENTS .00 SBMMF 17,825.88 TOTAL 81,784.74  
 ACCOUNTS PAYABLE .00



MIAMI SENIOR ADULT EDUCATION CENTER  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 2450 S.W. First Street, Miami, Florida 33135

Date Center Established: 1956

Principal During Audit Period: Ms. Eunice Soto (Through July 2004; presently at South Dade Adult Education Center)

Current Principal: Ms. Gilda Santalla

Treasurers: Mr. Robert Fernandez (Through April 2003)  
 Mr. Jose V. Sanchez

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
Wachovia Bank, N. A.	--	0.10	\$ 9,311.38	
	--	0.14		\$ 29,495.16
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37	75,132.18	
	Open-end	1.86		76,666.86
TOTAL			<u>\$84,443.56</u>	<u>\$106,162.02</u>

AUDIT EXCEPTIONS

None

OTHER COMMENT

There were no significant audit exceptions noted in our review of the internal funds and property records. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and the 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.

VOCATIONAL/ADUL

SCHOOL - 7462 MIA SENIOR ADULT

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	43,410.57	18,535.45	19,578.66	.00	42,367.36
SCHOOL STORE	23,881.69	33,620.45	32,998.56	1,695.80	26,199.38
INSTRUCTIONAL AIDS	776.89	.00	.00	.00	776.89
GENERAL	8,420.58	2,371.74	3,761.66	.00	7,030.66
INSTRUCTIONAL MATE	15,349.94	1,650.06	10,578.34	1,695.80	4,725.86
ADULT EDUCATION	.00	77,779.00	77,779.00	.00	.00
PRODUCTION/SERVICE	3,343.41	.00	.00	.00	3,343.41
<b>TOTAL</b>	<b>95,183.08</b>	<b>133,956.70</b>	<b>144,696.22</b>	<b>.00</b>	<b>84,443.56</b>

CHECKING	9,311.38	INVESTMENTS	.00	SBMMF	75,132.18	TOTAL	84,443.56
			ACCOUNTS PAYABLE		.00		

VOCATIONAL/ADULT

SCHOOL - 7462 MIA SENIOR ADULT

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	42,367.36	19,777.11	18,977.54	6,322.05	49,488.98
SCHOOL STORE	26,199.38	42,352.57	27,296.33	4,237.62-	37,018.00
INSTRUCTIONAL AIDS	776.89	92.00	.00	576.89-	292.00
GENERAL	7,030.66	1,889.70	6,837.42	3,955.85	6,038.79
INSTRUCTIONAL MATE	4,725.86	48,208.58	37,425.21	2,184.98-	13,324.25
ADULT EDUCATION	.00	85,247.00	85,312.00	65.00	.00
COMMUNITY SCHOOL	.00	599.00	599.00	.00	.00
PRODUCTION/SERVICE	3,343.41	.00	.00	3,343.41-	.00
TOTAL	84,443.56	198,165.96	176,447.50	.00	106,162.02

CHECKING 29,495.16 INVESTMENTS .00 SBMMF 76,666.86 TOTAL 106,162.02  
 ACCOUNTS PAYABLE .00

MIAMI SUNSET ADULT EDUCATION CENTER  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 13125 S.W. 72 Street, Miami, Florida 33183

Date Center Established: 1983

Principal: Dr. Dulce M. de Villa

Treasurers: Ms. Martha Coleman (Through December 2003)  
 Ms. Annarella Alfonso (Through September 2004)  
 Ms. Silvia Figueroa

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
City National Bank of Florida	--	0.10	\$16,467.42	\$22,947.93
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37	68,000.16	
	Open-end	1.86		79,375.54
<b>TOTAL</b>			<u>\$84,467.58</u>	<u>\$102,323.47</u>

AUDIT EXCEPTIONS

None

OTHER COMMENT

There were no significant audit exceptions noted in our review of the internal funds and property records. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.

VOCATIONAL/ADUL

SCHOOL - 7532 MIAMI SUNSET SR ADULT

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	4,488.18	21,239.23	14,959.14	666.13-	10,102.14
SCHOOL STORE	31,565.45	36,254.12	35,659.56	4,854.22	37,014.23
INSTRUCTIONAL AIDS	7,599.31	10,788.00	4,381.53	.00	14,005.78
GENERAL	16,268.98	1,596.43	12,262.69	71.46-	5,531.26
INSTRUCTIONAL MATE	18,056.04	16,723.82	16,253.64	4,116.63-	14,409.59
ADULT EDUCATION	.00	18,235.00	18,235.00	.00	.00
COMMUNITY SCHOOL	2,424.47	14,142.00	13,161.89	.00	3,404.58
<b>TOTAL</b>	<b>80,402.43</b>	<b>118,978.60</b>	<b>114,913.45</b>	<b>.00</b>	<b>84,467.58</b>

CHECKING	16,467.42	INVESTMENTS	.00	SBMMF	68,000.16	TOTAL	84,467.58
			ACCOUNTS PAYABLE	.00			



VOCATIONAL/ADULT  
 SCHOOL - 7532 MIAMI SUNSET SR ADULT

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	10,102.14	32,734.22	27,122.13	1,820.52-	13,893.71
SCHOOL STORE	37,014.23	42,521.00	47,395.96	1,692.56-	30,446.71
INSTRUCTIONAL AIDS	14,005.78	36,158.00	21,685.67	409.55-	28,068.56
GENERAL	5,531.26	2,541.51	7,407.24	5,434.17	6,099.70
INSTRUCTIONAL MATE	14,409.59	31,149.39	28,892.07	1,906.09-	14,760.82
ADULT EDUCATION	.00	53,344.25	53,233.25	.00	111.00
COMMUNITY SCHOOL	3,404.58	41,322.00	36,178.16	394.55	8,942.97
TOTAL	84,467.58	239,770.37	221,914.48	.00	102,323.47

CHECKING 22,947.93 INVESTMENTS .00 SBMMF 79,375.54 TOTAL 102,323.47  
 ACCOUNTS PAYABLE .00

ROBERT MORGAN EDUCATIONAL CENTER  
AUDIT REPORT  
FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 18180 S.W. 122 Avenue, Miami, Florida 33177

Date Center Established: 1978

Grades: 9-10 and Adult

Principals: Mr. Antonio Martinez (Through March 2004; presently District Director at Alternative Education/Dropout Prevention)

Mr. Gregory Zawyer

Business Manager: Ms. Pamela Cloonan (Adult Education Center)

Treasurers: Ms. Sara S. Burkes (Through October 2002) (Adult Education Center)  
Ms. Alfrida Wheelock (Adult Education Center)  
Ms. Donna Artiles (Senior High School)

CASH AND/OR INVESTMENT SUMMARY

				<u>6/30/03</u>	<u>6/30/04</u>	
	<u>Term</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Adult Ed. Center</u>	<u>Senior High*</u>	<u>Adult Ed. Center</u>
<b>Checking Accounts:</b>						
Union Planters Bank	--	--	0.50	\$ 20,197.10		
Community Bank of Florida	--	--	0.15		\$27,284.20	\$ 82,719.05
<b>Credit Card Account:</b>						
SunTrust Bank	--	--	--	13,472.23	--	10,475.68
<b>Investments:</b>						
Community Bank of Florida	48 mos.	1/22/06	4.01	104,010.00		
	48 mos.	1/22/06	4.01	104,010.00		
	48 mos.	1/22/06	4.01			108,180.80
	48 mos.	1/22/06	4.01			108,180.80
MDCPS-Money Market Pool Fund	--	Open-end	2.37	306,801.88		
	--	Open-end	1.86			312,493.92
<b>TOTAL</b>				<u>\$548,491.21</u>	<u>\$27,284.20</u>	<u>\$622,050.25</u>

AUDIT EXCEPTIONS

None

OTHER COMMENT

There were no significant audit exceptions noted in our review of the internal funds and property records. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.

\* First Audit of Senior High School.

ROBERT MORGAN EDUCATIONAL CENTER  
STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)  
FOR THE 2002-03 FISCAL YEAR  
JULY 1, 2002 THROUGH JUNE 30, 2003

FUND	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENTS	NET TRANSFERS	ENDING BALANCE
CLASSES AND CLUBS	\$19,667.06	\$ 22,029.70	\$ 19,686.44	\$ (1,527.18)	\$ 20,483.14
TRUST	129,012.14	152,883.72	136,040.94	8,481.43	154,336.35
PROPERTY DEPOSITS	2,643.33	99.00	0.00	0.00	2,742.33
SCHOOL STORE (1)	109,031.09	194,000.02	178,194.76	(18,461.05)	106,375.30
INSTRUCTIONAL AIDS	15,991.14	24,520.34	17,144.04	(1,250.71)	22,116.73
GENERAL	25,883.28	73,970.80	62,234.21	22,694.80	60,314.67
INSTRUCTIONAL MAT.	4,279.22	61,697.33	55,875.19	(488.88)	9,612.48
ADULT EDUCATION	0.00	1,113,619.40	1,116,170.40	2,551.00	0.00
COMMUNITY SCHOOL	3,499.13	35,323.00	31,505.52	(435.00)	6,881.61
FOOD SERVICE (2)	30,982.70	104,765.58	99,387.07	4,825.20	41,186.41
PRODUCTION SHOPS	77,232.61	138,930.90	128,471.40	(683.61)	87,008.50
DENTAL SERVICE	29,620.77	118,169.95	94,651.03	(15,706.00)	37,433.69
<b>TOTAL</b>	<u>\$447,842.47</u>	<u>\$2,040,009.74</u>	<u>\$1,939,361.00</u>	<u>\$ -</u>	<u>\$548,491.21</u>

(1) SEE EXHIBIT B FOR FURTHER ANALYSIS OF GROSS PROFIT AND NET INCOME (LOSS).

(2) SEE EXHIBIT C FOR FURTHER ANALYSIS OF GROSS PROFIT AND NET INCOME (LOSS).

ROBERT MORGAN EDUCATIONAL CENTER  
STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)  
FOR THE 2003-04 FISCAL YEAR  
JULY 1, 2003 THROUGH JUNE 30, 2004

FUND	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENTS	NET TRANSFERS	ENDING BALANCE
CLASSES AND CLUBS	\$ 20,483.14	\$ 5,522.49	\$ 14,330.87	\$ 2,502.20	\$ 14,176.96
TRUST	154,336.35	177,795.99	147,969.83	(17,261.02)	166,901.49
PROPERTY DEPOSITS	2,742.33	153.00	2,040.61	0.00	854.72
SCHOOL STORE (1)	106,375.30	185,094.09	162,150.94	1,537.46	130,855.91
INSTRUCTIONAL AIDS	22,116.73	27,952.50	15,788.79	90.00	34,370.44
GENERAL	60,314.67	64,505.59	74,471.72	7,223.56	57,572.10
INSTRUCTIONAL MAT.	9,612.48	58,524.31	63,368.20	(230.25)	4,538.34
ADULT EDUCATION	0.00	1,246,994.00	1,259,115.00	12,121.00	0.00
COMMUNITY SCHOOL	6,881.61	28,949.00	28,919.00	0.00	6,911.61
FOOD SERVICE (2)	41,186.41	113,228.13	114,370.06	6,549.02	46,593.50
PRODUCTION SHOPS	87,008.50	164,639.59	135,581.94	(5,291.46)	110,774.69
DENTAL SERVICE	37,433.69	134,902.59	116,595.28	(7,240.51)	48,500.49
TOTAL	<u>\$ 548,491.21</u>	<u>\$ 2,208,261.28</u>	<u>\$ 2,134,702.24</u>	<u>\$ -</u>	<u>\$ 622,050.25</u>

(1) SEE EXHIBIT B FOR FURTHER ANALYSIS OF GROSS PROFIT AND NET INCOME (LOSS).

(2) SEE EXHIBIT C FOR FURTHER ANALYSIS OF GROSS PROFIT AND NET INCOME (LOSS).

ROBERT MORGAN EDUCATIONAL CENTER  
STATEMENT OF NET INCOME (LOSS)—SCHOOL STORE  
JULY 1, 2002 THROUGH JUNE 30, 2004  
(COMPARED TO THE 2001-02 FISCAL YEAR)

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
TOTAL SALES	\$183,230	\$192,385	\$191,887
COST OF SALES			
Beginning Inventory	45,100	58,527	71,791
Purchases	<u>164,787</u>	<u>175,015</u>	<u>151,619</u>
Total Inventory Available for Sale	209,887	233,542	223,410
Less: Ending Inventory	<u>58,527</u>	<u>71,791</u>	<u>63,624</u>
TOTAL COST OF SALES	<u>151,360</u>	<u>161,751</u>	<u>159,786</u>
GROSS PROFIT (See Note 1)	<u>31,870</u>	<u>30,634</u>	<u>32,101</u>
OPERATING EXPENSES (See Note 2)	<u>8,755</u>	<u>1,520</u>	<u>10,034</u>
NET INCOME (LOSS)	<u>\$ 23,115</u>	<u>\$ 29,114</u>	<u>\$ 22,067</u>

## Notes

- (1) The School Store includes the sales and purchases of textbooks and other school supplies.
- (2) These amounts do not include operating salaries and related employee benefits, which are funded through the regular budgetary process.

ROBERT MORGAN EDUCATIONAL CENTER  
 STATEMENT OF NET INCOME (LOSS)—FOOD SERVICE PROGRAM  
 JULY 1, 2002 THROUGH JUNE 30, 2004  
 (COMPARED TO THE 2001-02 FISCAL YEAR)

	2001-02	2002-03	2003-04
TOTAL SALES	\$ 97,950	\$110,170	\$123,024
COST OF SALES			
Beginning Inventory	7,217	6,912	8,113
Purchases	61,992	69,748	81,835
Total Inventory Available for Sale	69,209	76,660	89,948
Less: Ending Inventory	6,912	8,113	7,149
TOTAL COST OF SALES	62,297	68,547	82,799
GROSS PROFIT	35,653	41,623	40,225
OPERATING EXPENSES			
Food for Classes	7,293	8,506	9,980
Spoilage	3,646	6,805	7,984
Cleaning Supplies	2,818	3,027	3,226
Instructional Supplies	1,278	2,335	2,220
Donated Services	713	1,354	1,863
Expendable Equipment	916	2,122	3,624
Miscellaneous Expense	952	1,526	1,104
Salary Expense	9,618	8,733	7,186
Office Supplies	1,634	1,250	1,706
Repairs of Equipment	555	2,152	1,338
TOTAL OPERATING EXPENSES*	29,423	37,810	40,231
NET INCOME (LOSS)	\$ 6,230	\$ 3,813	\$ (6)

\* These amounts do not include all operating salaries and related employee benefits, which are funded through the regular budgetary process.

EXHIBIT D

AS OF: 06/30/04 M I A M I - D A D E C O U N T Y P U B L I C S C H O O L S RUN DATE: 07/29/04  
 PRODUCT NO. T22160601 SCHOOL INTERNAL FUNDS - ANNUAL FINANCIAL REPORT PAGE NO. 114

VOCATIONAL/ADULT  
 SCHOOL - 7371 ROBERT MORGAN ED. CTR.

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
MUSIC	.00	1,108.00	.00	.00	1,108.00
CLASSES AND CLUBS	.00	79,963.58	69,740.06	1,017.87	11,241.39
TRUST	.00	13,889.16	14,373.39	3,766.37	3,282.14
PROPERTY DEPOSITS	.00	2,587.00	.00	.00	2,587.00
INSTRUCTIONAL AIDS	.00	8,694.00	3,856.08	.00	4,837.92
GENERAL	.00	27,702.14	19,759.25	4,784.24	3,158.65
INSTRUCTIONAL MATE	.00	44,267.08	43,197.98	.00	1,069.10
<b>TOTAL</b>	<b>.00</b>	<b>178,210.96</b>	<b>150,926.76</b>	<b>.00</b>	<b>27,284.20</b>

CHECKING	27,284.20	INVESTMENTS	.00	SBMMF	.00	TOTAL	27,284.20
			ACCOUNTS PAYABLE		.00		

Senior High School

WILLIAM H. TURNER EDUCATIONAL CENTER  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL/CENTER

Address: 10151 N. W. 19 Avenue, Miami, Florida 33147

Date Center Established: 1993

Grades: 9-12 and Adult

Principals: Dr. Ronnie L. Hunter (Through February 2003; presently Administrative Director at School Improvement Zone Operations)

Mr. Kenneth Rogers (Through August 2003; presently Administrative Director at Adult and Community Education)

Ms. Valmarie Rhoden

Business Manager: Ms. Raquel Lengomin

Treasurers: Ms. Cassandra Robbins (Senior High School)  
 Ms. Nelli Dassaw (Adult Education Center)

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Senior High</u>	<u>6/30/03</u> <u>Adult Ed. Center</u>	<u>Senior High</u>	<u>6/30/04</u> <u>Adult Ed. Center</u>
<u>Checking Accounts:</u>						
Union Planters Bank	--	0.05	\$ 70,266.43		\$47,121.63	
Bank of America, N.A.	--	--		\$33,068.92		\$9,782.71
<u>Investment:</u>						
MDCPS-Money Market Pool Fund	Open-end	2.37	68,941.51	29,135.90		
	Open-end	1.86			70,330.63	49,725.26
<b>TOTAL</b>			<u>\$139,207.94</u>	<u>\$62,204.82</u>	<u>\$117,452.26</u>	<u>\$59,507.97</u>

AUDIT EXCEPTIONS

None

OTHER COMMENTS

Internal Funds and Payroll

There were no significant audit exceptions noted in our review of the internal funds records. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in funds balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.

Property

The latest property inventory results were reported in June 2004, which showed "no unlocated" items. A property inventory for this center will be conducted in the latter part of this fiscal year.



VOCATIONAL/ADUL

SCHOOL - 7601 WM H TURNER TECH. ARTS

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
MUSIC	179.47	930.00	965.65	89.92-	53.90
CLASSES AND CLUBS	20,986.08	278,238.63	279,746.75	12,486.35	31,964.31
TRUST	24,624.23	91,589.41	76,226.70	37,563.33	77,550.27
GENERAL	2,631.45	104,887.06	44,977.55	53,108.26-	9,432.70
INSTRUCTIONAL MATE	13,598.88	84,570.05	88,493.36	431.50-	9,244.07
AGRICULTURE	10,778.18	47,875.40	51,818.80	3,580.00	10,414.78
PRODUCTION/SERVICE	547.91	.00	.00	.00	547.91
<b>TOTAL</b>	<b>73,346.20</b>	<b>608,090.55</b>	<b>542,228.81</b>	<b>.00</b>	<b>139,207.94</b>

CHECKING 70,266.43 INVESTMENTS .00 SBMMF 68,941.51 TOTAL 139,207.94  
 ACCOUNTS PAYABLE .00

Senior High School

VOCATIONAL/ADUL

SCHOOL - 7602 WM H. TURNER TECH ADUL

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	8,316.02	13,427.18	10,719.75	5,334.18-	5,689.27
SCHOOL STORE	24,611.14	32,158.92	24,994.66	523.29	32,298.69
INSTRUCTIONAL AIDS	404.57	1,945.00	2,037.56	.00	312.01
GENERAL	51.27	4,433.06	433.75	144.73-	3,905.85
INSTRUCTIONAL MATE	4,672.46	32,263.01	28,873.86	221.38-	7,840.23
ADULT EDUCATION	5,908.52	77,070.00	81,399.50	5,177.00	6,756.02
PRODUCTION/SERVICE	1,475.22	6,365.00	2,437.47	.00	5,402.75
<b>TOTAL</b>	<b>45,439.20</b>	<b>167,662.17</b>	<b>150,896.55</b>	<b>.00</b>	<b>62,204.82</b>

CHECKING	33,068.92	INVESTMENTS	.00	SBMMF	29,135.90	TOTAL	62,204.82
			ACCOUNTS PAYABLE		.00		

**Adult Education Center**

VOCATIONAL/ADULT  
 SCHOOL - 7601 WM. H. TURNER TECH. AR

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
MUSIC	53.90	3,733.50	2,994.04	438.25-	355.11
CLASSES AND CLUBS	31,964.31	271,672.85	281,732.14	7,497.55	29,402.57
TRUST	77,550.27	51,354.18	81,501.49	19,173.28	66,576.24
GENERAL	9,432.70	68,442.00	44,182.75	30,119.98-	3,571.97
INSTRUCTIONAL MATE	9,244.07	69,189.05	68,566.48	.00	9,866.64
AGRICULTURE	10,414.78	55,249.14	62,419.50	3,887.40	7,131.82
PRODUCTION/SERVICE	547.91	.00	.00	.00	547.91
<b>TOTAL</b>	<b>139,207.94</b>	<b>519,640.72</b>	<b>541,396.40</b>	<b>.00</b>	<b>117,452.26</b>

CHECKING 47,121.63 INVESTMENTS .00 SBMMF 70,330.63 TOTAL 117,452.26  
 ACCOUNTS PAYABLE .00

**Senior High School**

VOCATIONAL/ADULT  
 SCHOOL - 7602 WM. H. TURNER TECH. AD

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	5,689.27	13,025.80	14,648.97	4,363.62	8,429.72
SCHOOL STORE	32,298.69	31,829.05	26,143.83	7,671.71-	30,312.20
INSTRUCTIONAL AIDS	312.01	2,943.00	1,567.15	2.00	1,689.86
GENERAL	3,905.85	668.30	7,795.64	4,429.83	1,208.34
INSTRUCTIONAL MATE	7,840.23	22,813.01	20,557.94	1,115.74-	8,979.56
ADULT EDUCATION	6,756.02	101,087.00	102,366.00	23.00-	5,454.02
PRODUCTION/SERVICE	5,402.75	3,727.50	5,710.98	15.00	3,434.27
<b>TOTAL</b>	<b>62,204.82</b>	<b>176,093.66</b>	<b>178,790.51</b>	<b>.00</b>	<b>59,507.97</b>

CHECKING	9,782.71	INVESTMENTS	.00	SBMHF	49,725.26	TOTAL	59,507.97
			ACCOUNTS PAYABLE		.00		

**Adult Education Center**

ALTERNATIVE EDUCATION CENTERS

SCHOOL FOR APPLIED TECHNOLOGY  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 225 N. E. 34 Street, Miami, Florida 33137

Date School Established: 1994

Grades: 9-12

Program Director/Lead Teacher: Mr. James Guthrie (School administrator during audit period;  
 through November 2004)

Current Principal: Mr. Ronald D. Major

Treasurer: Ms. Venada Altheme

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
Wachovia Bank, N.A.	--	0.10	\$ 3,704.76	
	--	0.14		\$ 6,661.41
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37	6,747.62	
		1.86		6,884.04
<b>TOTAL</b>			<u>\$10,452.38</u>	<u>\$13,545.45</u>

## SCHOOL FOR APPLIED TECHNOLOGY (Continued)

### Financial Management

1. Our review of financial records disclosed the following discrepancies:
  - a. Some expenditures were not properly documented in that account statements or copies of invoices were used, instead of original invoices.
  - b. Fifteen checks cashed by the bank, amounting to \$6,142, contained only one of the two required signatures. One of these checks for \$300 was made payable to cash and had no supporting documentation. An invoice dated October 20, 2004 was obtained from the vendor, at the request of the auditor, to support this disbursement. In addition, one check, containing no signatures, for \$218, was cashed by the bank.
  - c. Several invoices were not paid on a timely basis. Delays noted ranged between 37 and 83 days. There were also delays in posting checks to the MSAF system, which ranged between 10 and 57 days.
  - d. Expenditures amounting to \$2,650 for transportation to Grad Nite in Orlando, were made from the Fund 9 (instructional materials and supplies) account.

Sections 2-9, 4-1, and 4-2 of the Manual of Internal Accounting and Section II, Chapter 5 and Section III Chapter 9 of the new Manual of Internal Fund Accounting establish that all checks issued must be signed by the principal or his designee and one clerical cosigner and procedures for disbursements require timely payment and posting and proper documentation for all expenditures. They also provide the guidelines for proper Fund 9 expenditures. We recommend compliance with established procedures and closer monitoring of these activities by the school administration.

### OTHER COMMENTS

#### Internal Funds

The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration, except as noted above. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting, except as noted above.

#### Property

The latest property inventory results were reported in June 2004, which showed "no unlocated" items. A property inventory for this center will be conducted in the latter part of this fiscal year.

#### Payroll

There was general adherence to payroll procedures.

ALTERNATIVE EDU

SCHOOL - 8171 SCHOOL FOR APPLIED TEC

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
CLASSES AND CLUBS	7,746.92	17,695.60	17,106.04	534.86-	7,801.62
TRUST	1,081.66	1,027.30	1,195.63	.00	913.33
GENERAL	984.35	473.67	1,126.17	534.86	866.71
INSTRUCTIONAL MATE	4,750.59	17,172.55	21,052.42	.00	870.72
TOTAL	14,563.52	36,369.12	40,480.26	.00	10,452.38

CHECKING 3,704.76 INVESTMENTS .00 SBMMF  
 ACCOUNTS PAYABLE 6,747.62 TOTAL 10,452.38  
 .00



ALTERNATIVE EDUC  
 SCHOOL - 8171 SCHOOL FOR APPLIED TEC

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
CLASSES AND CLUBS	7,801.62	23,155.68	23,076.30	.00	7,881.00
TRUST	913.33	3,608.38	3,097.27	65.17	1,489.61
GENERAL	866.71	251.17	914.55	.00	203.33
INSTRUCTIONAL MATE	870.72	29,390.50	26,224.54	65.17-	3,971.51
TOTAL	10,452.38	56,405.73	53,312.66	.00	13,545.45

CHECKING 6,661.41 INVESTMENTS .00 SBMMF 6,884.04 TOTAL 13,545.45  
 ACCOUNTS PAYABLE .00

**MEMORANDUM**

December 20, 2004

TO: Dr. Essie S. Pace, Region Center Superintendent  
Region Center IV

FROM: Ronald D. Major, Principal *RDJ*  
School for Applied Technology

**SUBJECT: RESPONSE TO INTERNAL FUNDS AUDIT OF THE SCHOOL FOR APPLIED TECHNOLOGY, 2002-03/2003-04 SCHOOL YEARS**

The Principal has reviewed and discussed the internal fund audit report referenced above with the appropriate personnel. A meeting was held with the secretary/treasurer regarding pertinent procedures in Sections 2-9, 4-1, and 4-2 of the Manual of Internal Accounting and Section II, Chapter 5 and Section III, Chapter 9 of the **new** Manual of Internal Fund Accounting as they relate to Financial Management.

The Principal has implemented corrective action and developed preventative strategies to identify and eliminate similar conditions. Commencing immediately, a rigorous schedule of monitoring the area of Financial Management by the Principal has been implemented.

To support compliance with the **new** Manual of Internal Fund Accounting, close communication between the school administration and the Region Center IV Business Director, the Secretary/Treasurer, and the District Internal Funds Business Manager will be established.

AUDIT EXCEPTION:

Financial Management

The following corrective actions were implemented to prevent the recurrence of conditions leading to the exceptions:

- On December 17, 2004 the Principal reviewed the findings with the secretary/treasurer and discussed her responsibilities as they relate to her performance.
- On December 17, 2004 the Principal and the secretary/treasurer reviewed the appropriate sections of the Manual of Internal Accounting and the **new** Manual of Internal Fund Accounting as it relates to the time-frame for posting invoices, properly documenting expenditures, procedures for issuing checks, and the appropriate purchases using Fund 9.

- The Principal directed the secretary/treasurer to first sign all checks and then present checks to the Principal for a second signature. (December 2004)
- The Principal directed the secretary/treasurer to only pay from original invoices with proper documentation. (December 2004)
- The Principal directed the treasurer to establish a log that contains expenditures and invoices, and note the date the payment was made. The treasurer was further directed to post checks to the MSAF system in a timely manner. (December 2004)
- The Principal directed the secretary/treasurer to pay expenditures from original invoices only. (December 2004)
- The Principal will place a "correction" folder in the signature file for returning any financial document, which was presented incorrectly or incomplete. (December 2004)

The following preventative strategies have been established and implemented by the Principal:

- The Principal, on a periodic basis, will meet with the treasurer and review the appropriate sections of the manual to ensure that they both understand the information contained in these sections. This process will be ongoing.
- The Principal, on a monthly basis, will review the log to verify that all expenditures, invoices and check requisitions have been posted and that payment was made within the 30 days time frame as required. Discrepancies will be addressed immediately.
- The Principal will not sign a check until the secretary/treasurer has attached a screen print of the check's posting to the actual check and signed the check. Once this documentation is presented and the signature of the secretary/treasurer is affixed, the administrator will sign the check. The Principal and the secretary/treasurer will review checks and documentation a second time before the check is sealed and mailed to ensure that the checks have two signatures as required. Errors will be corrected immediately.
- The Principal will open the bank envelope containing the returned cancelled checks for review to ensure that checks were properly completed, especially noting that checks were not made out to "cash." Discrepancies will be discussed immediately with the treasurer.

- The Principal will review all invoices when presented for payment. If these are not original invoices, accompanied by proper documentation, they will be returned to the secretary/treasurer until the original invoice with proper documentation is attached.
- For the near future, the Principal and secretary/treasurer will review all financial actions together as they are presented, checking for errors. If any errors are found, the corrections will be discussed and corrected immediately.
- On a daily basis, the Principal will review the "correction" folder. Items placed in this folder will receive immediate (same day) corrective action and discussion.
- The Principal and the secretary/treasurer will, during the monthly Fund 9 reconciliation review, revisit both the discrepancies listed on the internal funds audit report and this location's response to ensure that proper procedures are being followed and both the Principal and the secretary/treasurer understand the procedures.
- In the future, expenditures such as transportation to Grad Night will be processed through the appropriate account.

cc: Mr. Jorge Garcia

CORPORATE ACADEMY NORTH  
 AUDIT REPORT  
 FOR THE 2002-03 AND THE 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 5120 N.W. 24<sup>th</sup> Avenue, Miami, Florida 33142

Date Center Established: 1989

Grades: 9-12

Senior Assistant Principal: Ms. Barbara Hawkins

Treasurers: Ms. Norma Williams (Through March 2004)  
 Ms. Cassandra Jones (Through September 2004)  
 Ms. Norma Williams

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
Wachovia Bank, N. A.	--	0.14	\$11,726.34	
	--	0.10		\$ 2,398.56
Investment:				
MDCPS-Money Market Pool Fund	Open-end	1.86		11,003.98
<b>TOTAL</b>			<u>\$11,726.34</u>	<u>\$13,402.54</u>

AUDIT EXCEPTIONS

None

OTHER COMMENTS

Internal Funds and Payroll

There were no significant audit exceptions noted in our review of the internal funds records. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in funds balances arising from cash transactions during the 2002-03 and the 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.

Property

The latest property inventory results were reported in June 2004, which showed "no unlocated" items. A property inventory for this center will be conducted in the latter part of this fiscal year.

ALTERNATIVE EDU

SCHOOL - 8161 8161 CORPORATE ACADEMY

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	55.68	.00	.00	55.28-	.40
CLASSES AND CLUBS	3,376.66	10,225.37	10,797.79	1,037.57-	1,766.67
TRUST	3,556.47	7,840.25	6,220.66	280.35-	4,895.71
SCHOOL STORE	104.76	.00	.00	.00	104.76
GENERAL	386.00	133.05	19.27	1,443.15	1,942.93
INSTRUCTIONAL MATE	3,791.02	4,711.73	5,416.93	69.95-	3,015.87
TOTAL	11,270.59	22,910.40	22,454.65	.00	11,726.34

CHECKING	11,726.34	INVESTMENTS	.00	SBMMF	.00	TOTAL	11,726.34
			ACCOUNTS PAYABLE		.00		

ALTERNATIVE EDUC

SCHOOL - 8161 CORPORATE ACADEMY

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	.40	.00	.00	.00	.40
CLASSES AND CLUBS	1,766.67	5,656.00	5,290.77	1.89-	2,130.01
TRUST	4,895.71	6,522.46	4,942.53	.00	6,475.64
SCHOOL STORE	104.76	.00	.00	.00	104.76
GENERAL	1,942.93	88.07	254.28	1.89	1,778.61
INSTRUCTIONAL MATE	3,015.87	6,634.58	6,737.33	.00	2,913.12
TOTAL	11,726.34	18,901.11	17,224.91	.00	13,402.54

CHECKING 2,398.56 INVESTMENTS .00 SBMHF 11,003.98 TOTAL 13,402.54  
 ACCOUNTS PAYABLE .00

MIAMI-MACARTHUR NORTH SENIOR HIGH SCHOOL  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 13835 N.W. 97 Avenue, Hialeah Gardens, Florida 33016

Date School Established: 1964

Grades: 9-12

Principal During Audit Period: Mr. Lawton Williams (Through March 2003; retired)  
 Mr. Lowell Crawford (Through June 2004; presently Administrator  
 on special assignment at Alternative  
 Education Outreach Programs)

Current Principal: Mr. Marion Rogers

Treasurer: Mr. Klever Estella

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
Wachovia Bank, N.A.	--	0.13 0.10	\$10,405.06	\$8,165.35
Investment:				
MDCPS-Money Market Pool Fund	Open-end Open-end	2.37 1.86	33,605.60	29,277.62
<b>TOTAL</b>			<u>\$44,010.66</u>	<u>\$37,442.97</u>

AUDIT EXCEPTIONS

None

OTHER COMMENT

There were no significant audit exceptions noted in our review of the internal funds and property records. In addition, there was general adherence to payroll procedures. The financial statements of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.



ALTERNATIVE EDU

SCHOOL - 7254 M DOUG MACARTHUR SR. N

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	474.81	6,256.88	3,566.14	.00	3,165.55
CLASSES AND CLUBS	1,189.88	6,478.25	5,892.65	.00	1,775.48
TRUST	9,018.36	12,986.47	18,377.07	1,724.84	5,352.60
INSTRUCTIONAL AIDS	45.00	.00	.00	.00	45.00
GENERAL	9,882.08	2,582.03	81.99	1,563.82-	10,818.30
INSTRUCTIONAL MATE	14,992.80	24,045.94	20,485.13	.00	18,553.61
PRODUCTION/SERVICE	5,214.17	4,764.69	5,517.72	161.02-	4,300.12
TOTAL	40,817.10	57,114.26	53,920.70	.00	44,010.66

CHECKING 10,405.06 INVESTMENTS .00 SBMMF 33,605.60 TOTAL 44,010.66  
 ACCOUNTS PAYABLE .00

ALTERNATIVE EDUC  
 SCHOOL - 7254 M DOUG MACARTHUR SR. N

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	3,165.55	4,573.00	5,856.03	.00	1,882.52
CLASSES AND CLUBS	1,775.48	11,137.63	11,413.05	.00	1,500.06
TRUST	5,352.60	16,228.30	19,191.38	2,610.79	5,000.31
INSTRUCTIONAL AIDS	45.00	.00	.00	.00	45.00
GENERAL	10,818.30	3,733.29	7,910.33	2,180.31-	4,460.95
INSTRUCTIONAL MATE	18,553.61	20,106.89	19,299.90	.00	19,360.60
PRODUCTION/SERVICE	4,300.12	6,380.85	5,056.96	430.48-	5,193.53
TOTAL	44,010.66	62,159.96	68,727.65	.00	37,442.97

CHECKING	8,165.35	INVESTMENTS	.00	SBMMF	29,277.62	TOTAL	37,442.97
			ACCOUNTS PAYABLE		.00		

MIAMI-MACARTHUR SOUTH SENIOR HIGH SCHOOL  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 11035 S.W. 84 Street, Miami, Florida 33173

Date Center Established: 1960

Grades: 9-12

Principals: Mr. Ransom Hill, Jr. (Through June 2003; retired)  
 Mr. Steve Rummel

Treasurer: Sheila J. Freckleton

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
Executive National Bank	--	0.05	\$8,873.77	\$15,829.53
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37	19,319.44	
	Open-end	1.86		13,663.97
TOTAL			<u>\$28,193.21</u>	<u>\$29,493.50</u>

AUDIT EXCEPTIONS

None

OTHER COMMENT

There were no significant audit exceptions noted in our review of the internal funds and property records. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.

ALTERNATIVE EDU

SCHOOL - 7631 M DOUG MACARTHUR SR SO

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	724.53	10,043.77	15,460.70	5,562.00	869.60
CLASSES AND CLUBS	6,412.31	11,385.74	15,327.47	2,543.45	5,014.03
TRUST	14,666.19	27,537.25	24,883.62	6,760.31-	10,559.51
PROPERTY DEPOSITS	276.56	.00	.00	.00	276.56
SCHOOL STORE	.06	.00	.00	.00	.06
INSTRUCTIONAL AIDS	20.27	117.50	20.00	.00	117.77
GENERAL	915.49	2,162.67	2,498.41	50.00-	529.75
INSTRUCTIONAL MATE	8,992.74	39,040.39	41,718.88	.00	6,314.25
AGRICULTURE	655.32	1,219.00	12.58	60.00	1,921.74
PRODUCTION/SERVICE	1,267.17	10,774.04	8,096.13	1,355.14-	2,589.94
<b>TOTAL</b>	<b>33,930.64</b>	<b>102,280.36</b>	<b>108,017.79</b>	<b>.00</b>	<b>28,193.21</b>

CHECKING 8,873.77 INVESTMENTS .00 SBMMF 19,319.44 TOTAL 28,193.21  
 ACCOUNTS PAYABLE .00

SCHOOL - 7631 M DOUG MACARTHUR SR SO ALTERNATIVE EDUC

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	869.60	9,202.00	14,244.65	5,095.49	922.44
CLASSES AND CLUBS	5,014.03	14,688.29	12,466.31	1,466.69-	5,769.32
TRUST	10,559.51	30,363.89	29,651.77	3,285.06-	7,986.57
PROPERTY DEPOSITS	276.56	10.50	.00	.00	287.06
SCHOOL STORE	.06	.00	.00	.00	.06
INSTRUCTIONAL AIDS	117.77	.00	46.78	.00	70.99
GENERAL	529.75	3,120.13	640.09	12.35-	2,997.44
INSTRUCTIONAL MATE	6,314.25	42,413.64	41,522.68	.00	7,205.21
AGRICULTURE	1,921.74	3,113.50	2,379.95	.00	2,655.29
PRODUCTION/SERVICE	2,589.94	5,142.26	5,801.69	331.39-	1,599.12
<b>TOTAL</b>	<b>28,193.21</b>	<b>108,054.21</b>	<b>106,753.92</b>	<b>.00</b>	<b>29,493.50</b>

CHECKING	15,829.53	INVESTMENTS	.00	SBMF	13,663.97	TOTAL	29,493.50
				ACCOUNTS PAYABLE	.00		

SCHOOL FOR ADVANCED STUDIES (NORTH, SOUTH, AND WOLFSON CAMPUSES)  
 AUDIT REPORT  
 FOR THE 2002-03 AND THE 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 11380 N.W. 27 Avenue, Miami, Florida 33167 (North)  
 11011 S.W. 104 Street, Miami, Florida 33176 (South)  
 300 N.E. 2<sup>nd</sup> Avenue, Miami, Florida 33132 (Wolfson)

Date Center Established: 1988

Grades: 11-12

Principal: Dr. Melissa Patrylo

Treasurer: Ms. Kathy Barton

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
Bank of America, N.A.	--	1.45	\$ 8,781.26	\$ 7,429.56
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37	3,478.42	
	Open-end	1.86		3,548.74
TOTAL			<u>\$12,259.68</u>	<u>\$10,978.30</u>

AUDIT EXCEPTIONS

None

OTHER COMMENTS

Internal Funds and Payroll

There were no significant audit exceptions noted in our review of the internal funds records. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.

Property

The latest property inventory results were reported in June 2004, which showed "no unlocated" items. A property inventory for this center will be conducted in the latter part of this fiscal year.

ALTERNATIVE EDU

SCHOOL - 7091 SCH FOR ADVANCED STUDI

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
CLASSES AND CLUBS	2,785.67	6,900.55	6,675.57	.00	3,010.65
TRUST	3,663.66	23,600.48	23,442.54	218.21	4,039.81
GENERAL	888.86	1,237.89	943.91	218.21-	964.63
INSTRUCTIONAL MATE	1,489.15	12,120.54	9,365.10	.00	4,244.59
TOTAL	8,827.34	43,859.46	40,427.12	.00	12,259.68

CHECKING 8,781.26 INVESTMENTS .00 SBMMF 3,478.42 TOTAL 12,259.68  
 ACCOUNTS PAYABLE .00

ALTERNATIVE EDUC  
 SCHOOL - 7091 SCH FOR ADVANCED STUDI

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
CLASSES AND CLUBS	3,010.65	23,782.50	22,959.81	1,091.55-	2,741.79
TRUST	4,039.81	23,308.39	24,505.07	377.01	3,220.14
GENERAL	964.63	2,121.32	1,641.33	714.54	2,159.16
INSTRUCTIONAL MATE	4,244.59	3,657.71	5,045.09	.00	2,857.21
TOTAL	12,259.68	52,869.92	54,151.30	.00	10,978.30

CHECKING 7,429.56 INVESTMENTS .00 SBMMF 3,548.74 TOTAL 10,978.30  
 ACCOUNTS PAYABLE .00



DOROTHY M. WALLACE COPE CENTER  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE CENTER

Address: 10225 S.W. 147 Terrace, Miami, Florida 33176

Date School Established: 1972

Grades: 6-12

Principal: Ms. Edwina S. King

Treasurer: Ms. Sarah Russell

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
Sofisa Bank of Florida	--	0.69	\$16,699.02	
	--	0.29		\$ 7,360.99
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37	8,093.76	
	Open-end	1.86		8,257.38
<b>TOTAL</b>			<u>\$24,792.78</u>	<u>\$15,618.37</u>

AUDIT EXCEPTIONS

None

OTHER COMMENT

There were no significant audit exceptions noted in our review of the internal funds and property records. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.

ALTERNATIVE EDU

SCHOOL - 8131 D. M. WALLACE C.O.P.E.

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
CLASSES AND CLUBS	2,483.88	4,215.34	4,596.66	.00	2,102.56
TRUST	1,793.02	2,703.22	3,599.65	692.10	1,588.69
PROPERTY DEPOSITS	503.00	78.65	.00	.00	581.65
INSTRUCTIONAL AIDS	446.35	380.00	336.82	.00	489.53
GENERAL	2,973.73	1,128.22	988.15	692.10-	2,421.70
INSTRUCTIONAL MATE	4,232.37	5,848.48	6,428.07	.00	3,652.78
PRODUCTION/SERVICE	15,964.15	61,853.53	63,861.81	.00	13,955.87
TOTAL	28,396.50	76,207.44	79,811.16	.00	24,792.78

CHECKING	16,699.02	INVESTMENTS	.00	SBMMF	8,093.76	TOTAL	24,792.78
				ACCOUNTS PAYABLE	.00		

ALTERNATIVE EDUC  
 SCHOOL - 8131 D. H. WALLACE C.O.P.E.

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
CLASSES AND CLUBS	2,102.56	5,475.01	5,106.93	.00	2,470.64
TRUST	1,588.69	3,940.92	3,705.32	391.45	2,215.74
PROPERTY DEPOSITS	581.65	85.00	.00	.00	666.65
INSTRUCTIONAL AIDS	489.53	334.00	177.70	.00	645.83
GENERAL	2,421.70	711.86	109.80	391.45-	2,632.31
INSTRUCTIONAL MATE	3,652.78	6,014.40	5,006.14	.00	4,661.04
PRODUCTION/SERVICE	13,955.87	54,119.14	65,748.85	.00	2,326.16
TOTAL	24,792.78	70,680.33	79,854.74	.00	15,618.37

CHECKING 7,360.99 INVESTMENTS .00 SBMMF 8,257.38 TOTAL 15,618.37  
 ACCOUNTS PAYABLE .00

**SPECIALIZED EDUCATION CENTERS**

RUTH OWENS KRUSE EDUCATIONAL CENTER  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL

Address: 11001 S.W. 76 Street, Miami, Florida 33173

Date Center Established: 1991

Grades: 6-8

Principals: Mr. Will Gordillo (Through March 2003; presently Administrative Director, Exceptional Student Education)

Ms. Carolyn Bonner

Treasurer: Ms. Donna Immerman

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
Executive National Bank	--	0.05	\$ 2,909.12	
SunTrust Bank	--	0.10		\$ 425.12
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37	14,331.66	
	Open-end	1.86		12,621.44
TOTAL			<u>\$17,240.78</u>	<u>\$13,046.56</u>

AUDIT EXCEPTIONS

None

OTHER COMMENTS

Internal Funds and Payroll

There were no significant audit exceptions noted in our review of the internal funds. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and the 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.

Property

The latest property inventory results were reported in June 2004, which showed "no unlocated" items. A property inventory for this center will be conducted in the latter part of this fiscal year.

SPECIALIZED EDU

SCHOOL - 8181 RUTH OWENS KRUSE' ED.

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
MUSIC	22.57	2,617.00	2,598.81	40.76-	.00
CLASSES AND CLUBS	506.45	5,517.06	4,531.11	822.74-	669.66
TRUST	3,224.03	4,986.87	6,132.11	3,130.94	5,209.73
PROPERTY DEPOSITS	311.31	199.50	320.25	.00	190.56
GENERAL	3,623.12	3,673.60	2,681.35	2,267.44-	2,347.93
INSTRUCTIONAL MATE	7,375.99	12,724.96	11,278.05	.00	8,822.90
TOTAL	15,063.47	29,718.99	27,541.68	.00	17,240.78

CHECKING	2,909.12	INVESTMENTS	.00	SBMMF	14,331.66	TOTAL	17,240.78
			ACCOUNTS PAYABLE		.00		

SPECIALIZED EDUC  
 SCHOOL - 8181 RUTH OWENS KRUSE' ED.

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
CLASSES AND CLUBS	669.66	5,723.47	5,688.29	5.90-	698.94
TRUST	5,209.73	4,762.08	6,944.79	664.91	3,691.93
PROPERTY DEPOSITS	190.56	241.50	.00	.00	432.06
GENERAL	2,347.93	3,001.66	2,980.61	659.01-	1,709.97
INSTRUCTIONAL MATE	8,822.90	15,066.65	17,375.89	.00	6,513.66
<b>TOTAL</b>	<b>17,240.78</b>	<b>28,795.36</b>	<b>32,989.58</b>	<b>.00</b>	<b>13,046.56</b>

CHECKING 425.12 INVESTMENTS .00 SBMMF 12,621.44 TOTAL 13,046.56  
 ACCOUNTS PAYABLE .00

MERRICK EDUCATIONAL CENTER  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL

Address: 39 Zamora Avenue, Coral Gables Florida 33134

Date School Established: 1984

Grades: PK-12

Principal: Ms. Judith Slovin

Treasurers: Ms. Ana Hernandez-Bravo (Through January 2003)  
 Ms. Marisol Diaz

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
SunTrust Bank	--	0.15 0.10	\$1,791.10	\$1,251.12
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37 1.86	23,786.93	29,278.51
TOTAL			<u>\$25,578.03</u>	<u>\$30,529.63</u>

AUDIT EXCEPTIONS

None

OTHER COMMENT

There were no significant audit exceptions noted in our review of the internal funds and property records. In addition, there was general adherence to payroll procedures. The financial statements of the school present fairly, in all material respects, the changes in funds balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration.



SPECIALIZED EDU

SCHOOL - 9732 MERRICK EDUCATIONAL CE

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
CLASSES AND CLUBS	570.27	.00	.00	570.27-	.00
TRUST	17.16	1,120.00	686.17	16.45-	434.54
GENERAL	5,111.65	696.47	1,146.90	586.72	5,247.94
INSTRUCTIONAL MATE	16,503.06	3,496.94	3,535.65	.00	16,464.35
COMMUNITY SCHOOL	3,431.20	.00	.00	.00	3,431.20
<b>TOTAL</b>	<b>25,633.34</b>	<b>5,313.41</b>	<b>5,368.72</b>	<b>.00</b>	<b>25,578.03</b>

CHECKING 1,791.10 INVESTMENTS .00 SBMMF 23,786.93 TOTAL 25,578.03  
 ACCOUNTS PAYABLE .00

SPECIALIZED EDUC  
 SCHOOL - 9732 MERRICK EDUCATIONAL CE

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	434.54	3,803.95	1,447.02	.00	2,791.47
GENERAL	5,247.94	1,487.46	1,561.94	.00	5,173.46
INSTRUCTIONAL MATE	16,464.35	8,358.84	5,689.69	.00	19,133.50
COMMUNITY SCHOOL	3,431.20	.00	.00	.00	3,431.20
<b>TOTAL</b>	<b>25,578.03</b>	<b>13,650.25</b>	<b>8,698.65</b>	<b>.00</b>	<b>30,529.63</b>

CHECKING 1,251.12 INVESTMENTS .00 SBMMF 29,278.51 TOTAL 30,529.63  
 ACCOUNTS PAYABLE .00

GREATER MIAMI ATHLETIC CONFERENCE (GMAC)  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE

Address: 1500 Biscayne Boulevard, Room 343, Miami, Florida 33132

Date Established: 1967

Executive Secretaries: Mr. Wayne Story (Through August 2002; retired)  
 Ms. Cheryl Golden

Treasurer: Ms. Myrna N. Roper

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/2003</u>	<u>6/30/2004</u>
Checking Account:				
Union Planters Bank, N.A.	--	0.05	\$ 17,736.25	\$ 23,325.37
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37 1.86	193,808.01	147,582.49
			<u>\$211,544.26</u>	<u>\$170,907.86</u>

BACKGROUND

The Greater Miami Athletic Conference (GMAC), in cooperation with the Florida High School Athletic Association (FHSAA), regulates and promotes interscholastic athletic activities among its membership of all the public high schools and one non-public high school. Its purpose is to protect the interests of the high schools belonging to this conference, to promote pure, amateur sports, and to foster such other activities as the organization may decide to sponsor. It also trains and provides officials for the athletic events.

The GMAC is administered by the Executive Committee that consisted of various school system employees, most of whom are principals and Athletic Directors. The Presidents of the Executive Committee during fiscal years 2002-03 and 2003-04 were, respectively, Dr. Donald A. Hoecherl, Principal at John A. Ferguson Senior High School and Mr. Patrick Iacono, Athletic Director at American Senior High School. Mr. Wayne Story and Ms. Cheryl Golden were the Executive Secretaries during the audit period. Ms. Golden reports to Mr. F. Craig Sturgeon, Assistant Superintendent, Regional Operations.

## GREATER MIAMI ATHLETIC CONFERENCE (GMAC) (Continued)

### AUDIT EXCEPTIONS

#### Financial Records

1. Our review of the financial records disclosed the following discrepancies:
  - a. The Athletics Fund had deficit balances of \$(6,078) and \$(45,107) for the 2002-03 and 2003-04 fiscal years, respectively. As of October 29, 2004, the deficit balance was \$(32,526). The reason for these deficit balances was that expenditures were recorded in the Athletic Fund but the corresponding available revenues were not transferred from the General Fund to this fund to properly clear the deficit balances.
  - b. A Trust Fund account used for FHSAA State Tournaments had a deficit balance of \$(5,889) in the MSAF system as of June 30, 2004, because funds deposited in the bank had not been posted to the MSAF system until nearly two months later. In addition, we noted a few delays in deposits of collected funds of up to 18 days.
  - c. A check for \$1,440, with only one of the two required signatures, was cashed by the bank.
  - d. Check makers names were not always listed on the bank deposit slips.
  - e. Computer generated receipts were not always signed by the treasurer. A similar item was discussed with the administration during the prior audit.

Sections 3-3, 4-1 and 4-2 of the Manual of Internal Accounting and Section II, Chapters 2, 3 and 5 of the new Manual of Internal Fund Accounting establish the guidelines for receipting, depositing and disbursing funds and posting these transactions to the system. We recommend compliance with these guidelines.

#### Cellular Telephones

2. Our review of disbursements disclosed the following:
  - a. Some commissioner's total monthly cellular telephone charges ranged between \$40 and \$62, while other commissioner's ranged between \$140 and \$619 per month.
  - b. A log of cellular telephone calls was not maintained; instead, copies of the itemized statements, along with a form, were sent to the individuals asking them to review the charges and indicate personal and business usage and make reimbursement for personal calls to GMAC. Some of these forms were not presented for audit, some were not signed by the commissioners, and others did not agree with the service period.

We recommend that cellular telephone expenditures be closely monitored by the administration to make sure that telephones are used for the intended purpose and that package plan minutes are not exceeded. Similar issues with the use and record-keeping of cellular telephones have been brought to the attention of the administration during the last two audits.

GREATER MIAMI ATHLETIC CONFERENCE (GMAC) (Continued)

OTHER COMMENT

The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure at the school was generally functioning as designed by the District administration, except as noted above. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Accounting, except as noted above.

**GREATER MIAMI ATHLETIC CONFERENCE (GMAC)  
STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)  
FOR THE 2002-03 AND 2003-04 FISCAL YEAR  
JULY 1, 2002 THROUGH JUNE 30, 2004**

	<u>06/30/03</u>	<u>06/30/04</u>
BEGINNING FUND BALANCE	\$269,272	\$211,544
Receipts:		
Tournament Ticket Sales (Exhibit B)	51,486	21,842
Booking Fees-Private Schools	11,285	4,315
Miscellaneous	11,352	4,444
Fines	650	1,800
Interest on Savings	4,402	3,793
Vending Commissions	17,586	18,434
GMAC Officials Association (Exhibit C)	17,870	24,295
Workshop Registration	4,100	3,850
Other School Obligations	16,317	18,224
Total Receipts	<u>135,048</u>	<u>100,997</u>
Disbursements:		
Tournament Expenses (Exhibit B)	75,442	67,035
Booking Fees-Private Schools	180	-
Commissioners Salaries	18,740	24,050
Travel	822	1,539
Office Supplies	4,222	729
Miscellaneous	52,573	13,421
Office Equipment	1,684	416
Copy Machine-Rental and Supplies	2,321	2,758
GMAC Officials Associations (Exhibit C)	30	0
Cellular Phones	17,905	10,842
Workshop Registration	2,249	2,619
Other School Obligations	16,607	18,224
Total Disbursements	<u>192,775</u>	<u>141,633</u>
ENDING FUND BALANCE	<u>\$211,545</u>	<u>\$170,908</u>

GREATER MIAMI ATHLETIC CONFERENCE  
 STATEMENT OF TOURNAMENT TICKET SALES AND EXPENSES (CASH BASIS)  
 FOR THE 2002-03 AND 2003-04 FISCAL YEAR  
 JULY 1, 2002 THROUGH JUNE 30, 2004

	<u>06/30/03</u>	<u>06/30/04</u>
Ticket Sales:		
Bowling	\$ -	\$ 3,604
Baseball	1,412	-
Basketball	-	72
Golf	-	-
Soccer	-	-
Softball	-	1,153
Swimming	-	-
Track	-	-
Volleyball	-	-
Wrestling	-	-
Playoffs	50,074	17,013
Total (Exhibit A)	<u>51,486</u>	<u>21,842</u>
Expenses:		
Bowling	-	5,444
Baseball	2,951	1,635
Basketball	3,708	6,093
Golf	2,674	1,200
Football	780	679
Soccer	1,415	5,092
Softball	-	844
Swimming	3,345	1,565
Track	1,417	10,806
Volleyball	576	7,428
Wrestling	5,543	2,595
Playoffs	50,231	17,003
Water Polo	1,954	1,826
Tennis	848	4,825
Total (Exhibit A)	<u>75,442</u>	<u>67,035</u>
Excess (Deficiency) of Ticket Sales Over Expenses	<u><u>\$(23,956)</u></u>	<u><u>\$(45,193)</u></u>

**GREATER MIAMI ATHLETIC CONFERENCE (GMAC)  
STATEMENT OF RECEIPTS AND DISBURSEMENTS (CASH BASIS)  
GREATER MIAMI OFFICIALS ASSOCIATION  
FOR THE 2002-03 AND 2003-04 FISCAL YEAR  
JULY 1, 2002 THROUGH JUNE 30, 2004**

	2002-2003			2003-2004		
	Reg. & Dues	Clinic Fees	Total	Reg. & Dues	Clinic Fees	Total
<b>Receipts:</b>						
Baseball	\$ 2,190	\$ 550	\$ 2,740	\$ 2,620	\$ 510	\$ 3,130
Basketball	4,650	210	4,860	3,660	20	3,680
Football	2,400	490	2,890	3,630	3,110	6,740
Soccer	3,030	-	3,030	2,400	1,340	3,740
Softball	1,140	-	1,140	1,170	2,200	3,370
Volleyball	1,980	-	1,980	1,955	240	2,195
Water Polo	-	-	-	450	-	450
Wrestling	1,230	-	1,230	990	-	990
<b>Total Receipts:</b>	<b>16,620</b>	<b>1,250</b>	<b>17,870</b>	<b>16,875</b>	<b>7,420</b>	<b>24,295</b>
<b>Disbursements:</b>						
Baseball	-	-	-	-	-	-
Basketball	-	-	-	-	-	-
Football	30	-	30	-	-	-
Soccer	-	-	-	-	-	-
Softball	-	-	-	-	-	-
Volleyball	-	-	-	-	-	-
Water Polo	-	-	-	-	-	-
Wrestling	-	-	-	-	-	-
<b>Total Disbursements:</b>	<b>30</b>	<b>-</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess of Receipts Over Disbursements</b>	<b>\$ 16,590</b>	<b>\$ 1,250</b>	<b>\$ 17,840</b>	<b>\$ 16,875</b>	<b>\$ 7,420</b>	<b>\$ 24,295</b>



**GREATER MIAMI ATHLETIC CONFERENCE  
DIVISION OF ATHLETICS/ACTIVITIES AND ACCREDITATION  
MIAMI-DADE COUNTY PUBLIC SCHOOLS**

**MEMORANDUM**

December 8, 2004  
CAG/2004-2005/G#215

**TO:** Mr. F. Craig Sturgeon, Assistant Superintendent  
Regional Operations

**FROM:** Cheryl A. Golden, Executive Secretary  
Greater Miami Athletic Conference



**SUBJECT: RESPONSE TO INTERNAL FUND AUDIT FOR JULY 2002 THROUGH  
JUNE 2004**

The executive secretary of the Greater Miami Athletic Conference (GMAC) has taken immediate action to implement corrective and preventative strategies in response to the cited audit exceptions for the audited period of July 1, 2002 through June 30, 2004. The executive secretary has met with the GMAC treasurer to review the audit report and exceptions and has taken appropriate administrative action.

The GMAC has unique cellular needs. Phones are given to the sports commissioners one month prior to the sports season and returned one month after the end of the sports season. There are three sports seasons; fall, winter and spring which all overlap each other. If the cellular monthly service plan has enough minutes not to incur overage charges during the sports season, then a higher monthly service rate is paid instead of the seasonal monthly overages for the additional minutes used. The GMAC, during the last year has been able to reduce the yearly cellular phone charges from \$17,905 for 2002-2003 to \$10,842 for 2003-2004.

During the 2004-2005 year, the executive secretary will meet bi-weekly with the treasurer to ensure compliance with the new Manual of Internal Fund Accounting.

The executive secretary will confer with the assigned Business Manager, Internal Funds, for guidance, training and support in maintaining full compliance with all guidelines found in the new Manual of Internal Fund Accounting.

Should you have any questions and/or concerns please do not hesitate to contact me at 305 995-2306.

CAG

**Greater Miami Athletic Conference/Division of Athletics/Activities**  
**Cheryl A. Golden**  
**Action Plan for the 2002-2004 Audit Exceptions**

AUDIT EXCEPTIONS(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
1. <u>Financial Records</u>	<p><i>The executive secretary has taken the following corrective actions:</i></p> <ul style="list-style-type: none"> <li>The executive secretary held a meeting with the treasurer to discuss the findings of the audit and review Section II, Chapters 2, 3 and 5 of the <u>new Manual of Internal Fund Accounting</u>. (December 2004)</li> <li>The executive secretary directed the treasurer to review the account balances monthly, especially the athletic fund accounts and transfer money from the General Fund to cover any deficit balances. (Corrected November 2004)</li> <li>The executive secretary directed the treasurer to make all deposits and post to the MSAF system in a timely manner. (December 2004)</li> </ul>	<p><i>The strategies listed below will be implemented to prevent recurrence of cited audit exceptions:</i></p> <ul style="list-style-type: none"> <li>On a periodic basis the executive secretary will review with the treasurer Section II, Chapters 2, 3 and 5 of the <u>new Manual of Internal Fund Accounting</u>.</li> <li>On a monthly basis, the executive secretary will review the monthly balances in all accounts to ensure that all accounts have appropriate balances. Discrepancies will be addressed immediately.</li> <li>To make sure all the deposits and posting to the MSAF system are done, the executive secretary will review them weekly. Discrepancies will be addressed immediately.</li> </ul>	<p>Executive Secretary Treasurer</p> <p>Executive Secretary Treasurer</p> <p>Executive Secretary Treasurer</p>

**Greater Miami Athletic Conference/Division of Athletics/Activities**  
**Cheryl A. Golden**  
**Action Plan for the 2002-2004 Audit Exceptions**

AUDIT EXCEPTIONS(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
Financial Records - continued	<ul style="list-style-type: none"> <li>The executive secretary directed the treasurer to review all Trust Fund Accounts on a monthly basis to prevent deficit balances. She further directed the treasurer to properly transfer funds to clear any deficits. (December 2004)</li> <li>The executive secretary directed the treasurer to sign all checks prior to submitting to the executive secretary for her signature. (December 2004)</li> <li>The executive secretary directed the treasurer to include the check makers name on all bank deposit slips. (December 2004)</li> <li>The executive secretary directed the treasurer to print out and sign all computer-generated receipts. (December 2004)</li> </ul>	<ul style="list-style-type: none"> <li>On a monthly basis the executive secretary will review the monthly balances in all accounts with the treasurer to ensure that all deficits are covered. Discrepancies will be addressed immediately.</li> <li>The executive secretary will sign checks after the treasurer to ensure that all checks have two signatures. Discrepancies will be addressed immediately.</li> <li>When deposits are made to the bank the executive secretary will review the deposit slips for the check maker's names. Discrepancies will be addressed immediately.</li> <li>On a bi-weekly basis, the executive secretary will spot check the deposit packages to ensure that the computer-generated receipts have been signed. Discrepancies will be addressed immediately.</li> </ul>	<p>Executive Secretary Treasurer</p> <p>Executive Secretary Treasurer</p> <p>Executive Secretary Treasurer</p> <p>Executive Secretary Treasurer</p>

**Greater Miami Athletic Conference/Division of Athletics/Activities**  
**Cheryl A. Golden**  
**Action Plan for the 2002-2004 Audit Exceptions**

AUDIT EXCEPTIONS(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
	<ul style="list-style-type: none"> <li>The executive secretary directed the treasurer to forward the unopened bank statement to her. (December 2004)</li> </ul>	<ul style="list-style-type: none"> <li>Monthly, the executive secretary will review the bank statement and the cancelled checks to ensure that all checks bear two signatures.</li> </ul>	Executive Secretary
2. <u>Cellular Telephones</u>	<ul style="list-style-type: none"> <li>The executive secretary held a meeting with the sports commissioners to discuss the audit findings and review the monthly cellular phone statements. (December 2004)</li> <li>In her new procedures, the executive secretary has directed the treasurer to keep the cellular phone sign in/out sheets from each sports commissioner with the monthly cellular documentation. (December 2004)</li> </ul>	<ul style="list-style-type: none"> <li>On a periodic basis the executive secretary will review with the sports commissioners the cellular phone procedures and monthly statements.</li> <li>As a part of her new procedures, the executive secretary will oversee and enforce the signing in and out of the cellular phones and keep exact records and dates of when the phones are placed in and out of service with the sports commissioners. Discrepancies will be addressed immediately.</li> </ul>	Executive Secretary Treasurer  Executive Secretary Treasurer

**Greater Miami Athletic Conference/Division of Athletics/Activities**  
**Cheryl A. Golden**  
**Action Plan for the 2002-2004 Audit Exceptions**

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
Cellular Telephones - continued	<ul style="list-style-type: none"> <li>The executive secretary has directed the treasurer to use the new verification of cellular usage forms for each billing cycle. She has been further directed to sign all verification forms and ensure that the information on the form is correct. (December 2004)</li> <li>The executive secretary has directed the treasurer to establish a log for the collection of cellular documentation from the office staff and sports commissioners. The log will include name, date phone was issued, date cellular verification form was sent to commissioner, date form with original signature and documentation was returned to GMAC, and date of service period for documentation. (December 2004)</li> </ul>	<ul style="list-style-type: none"> <li>Each billing cycle, the executive secretary will review all forms and cellular bills for errors before they are sent to the sports commissioners. Discrepancies will be addressed immediately.</li> <li>The executive secretary will review the log monthly to ensure that the requested documentation is sent by and returned to the GMAC. Discrepancies will be addressed immediately.</li> </ul>	<p>Executive Secretary Treasurer</p> <p>Executive Secretary Treasurer</p>

DADE COUNTY ATHLETIC EQUALIZATION FUND  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE:

Address: 1450 N.E. Second Avenue, Miami, Florida 33132

Date Established: 1963

Administrators: Dr. Frederick C. Rodgers, (Through June 2003; retired)

Mr. Craig Sturgeon, Assistant Superintendent, Regional Operations

Trustee: Dr. Alexis Martinez, Principal  
 Coral Gables Senior High School

CASH AND/OR INVESTMENTS SUMMARY

	<u>6/30/03</u>	<u>6/30/04</u>
Total Fund Balance Recorded in the Internal Funds of Coral Gables Senior High School	<u>\$24,118.94</u>	<u>\$15,491.94</u>
 TOTAL	 <u>\$24,118.94</u>	 <u>\$15,451.94</u>

AUDIT EXCEPTIONS

None

OTHER COMMENTS

Background

The Dade County Athletic Equalization Fund was established to aid the athletic programs at senior high schools in financial distress. To assure the viability of this Fund, schools are required to repay amounts borrowed, for which no interest is charged. The unpaid loan balance at the close of the 2002-03 and 2003-04 fiscal years were \$4,000 and \$12,667, respectively.

The transactions of the Miami-Dade County Athletic Equalization Fund are recorded in a Trust Fund account maintained in the internal funds of Coral Gables Senior High School. The Administrative Director and Assistant Superintendent served as administrators of this fund each respective year, and the Principal of Coral Gables Senior High School served as the trustee. The interest received from the bank during the audit period was deposited in the Coral Gables Senior High School's General Fund to defray some of the costs of administering the Equalization Fund.

Internal Funds

There were no significant audit exceptions noted in our review of the internal funds records. The statement of changes in fund balances (cash basis) and the statement of loans receivable present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years. With respect to the items tested, the Fund was in general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure over the fund was generally functioning as designed by the District administration.

**DADE COUNTY ATHLETIC EQUALIZATION FUND**  
**STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)**  
**FOR THE 2002-03 AND 2003-04 FISCAL YEAR**  
**JULY 1, 2002 THROUGH JUNE 30, 2004**

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
BEGINNING BALANCE	\$28,118.94	\$24,118.94	\$24,118.94
ADD - RECEIPTS:			
Loans Paid	-	-	1,333.00
Total Available	<u>28,118.94</u>	<u>24,118.94</u>	<u>25,451.94</u>
LESS -DISBURSEMENTS:			
Loans Advanced	4,000.00	-	10,000.00
ENDING BALANCE	<u>\$24,118.94</u>	<u>\$24,118.94</u>	<u>\$15,451.94</u>

DADE COUNTY ATHLETIC EQUALIZATION FUND  
STATEMENT OF LOAN RECEIVABLES  
FOR THE 2002-03 AND 2003-04 FISCAL YEAR  
JULY 1, 2002 THROUGH JUNE 30, 2004

**2002-03**

SENIOR HIGH SCHOOL	BEGINNING BALANCE	LOANS ADVANCED	LOANS PAID	ENDING BALANCE
Miami-MacArthur North Sr.	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00
Total	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00

**2003-04**

Miami-MacArthur North Sr.	\$ 4,000.00	\$ -	\$ 1,333.00	\$ 2,667.00
Miami Jackson Sr.	\$ -	\$10,000.00	\$ -	\$10,000.00
Total	\$ 4,000.00	\$10,000.00	\$ 1,333.00	\$12,667.00



SYSTEMWIDE BUSINESS INDUSTRY SERVICES  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE

Address: 1450 N. E. 2 Avenue, Room 842, Miami, Florida 33132

Date Fund Established: 1995

Administrators: Mr. Joseph Mathos (Through June 2003; retired)  
 Ms. Carol Renick (Through November 2004; presently Administrative Director, Regional Operations)  
 Mr. Leonardo Fernandez

Treasurers: Ms. Isabelle Romeus (Through April 2003)  
 Mr. Robert Fernandez

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
<u>Checking Account:</u>				
City National Bank of Florida	--	0.10	\$68,805.49	\$32,479.59
<u>Investment:</u>				
MDCPS-Money Market Pool Fund	Open-end	2.37	739,480.47	
	Open-end	1.86		864,837.23
<b>TOTAL</b>			<b><u>\$808,285.96</u></b>	<b><u>\$897,316.82</u></b>

BACKGROUND

In October 1995 the Systemwide Business Industry Services (Systemwide) was established when funds held at three different locations throughout the county were transferred to the District. The locations and funds were as follows: Lindsey Hopkins Technical Education Center, Robert Morgan Educational Center and Miami Lakes Educational Center, who transferred their General Equivalency Diploma (GED) and Computerized Nurse Entrance Test (CNET) fees; and Lindsey Hopkins, who transferred its VISA (foreign student exchange program) fees.

In addition, some schools and centers collect and deposit amounts of GED and CNET testing fees and remit checks periodically to Systemwide. Lindsey Hopkins continues collecting VISA fees and personnel from the school bring them to Systemwide.

Systemwide pays for most of the supplies and expenses associated with these programs. In addition, travel and equipment accounts have been established for expenses associated with travel, meetings, and equipment for the GED Program.

AUDIT EXCEPTIONS

None

INTERNAL FUNDS

There were no significant audit exceptions noted in our review of the internal funds records. The financial statements present fairly, in all material respects, the changes in funds balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. With respect to the items tested, there was general compliance with the policies and procedures in the Manual of Internal Accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Accounting indicated that the internal control structure was generally functioning as designed by the District administration.

VOCATIONAL/ADUL

SCHOOL - 8018 SYSTMWIDE-BUS IND SVC

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	395,720.20	202,687.71	152,883.71	760.00	446,284.20
INSTRUCTIONAL AIDS	136,141.46	.00	1,687.00	760.00-	133,694.46
GENERAL	219,829.85	14,885.25	6,357.80	.00	228,357.30
ADULT EDUCATION	.00	.00	50.00	.00	50.00-
<b>TOTAL</b>	<b>751,691.51</b>	<b>217,572.96</b>	<b>160,978.51</b>	<b>.00</b>	<b>808,285.96</b>

CHECKING 68,805.49 INVESTMENTS .00 SBMMF 739,480.47 TOTAL 808,285.96  
 ACCOUNTS PAYABLE .00

VOCATIONAL/ADULT  
 SCHOOL - 8018 SYSTMWIDE-BUS IND SVC

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
TRUST	446,284.20	216,606.00	127,240.74	340.00	535,989.46
INSTRUCTIONAL AIDS	133,694.46	68.00	3,585.00	340.00-	129,837.46
GENERAL	228,357.30	15,431.82	12,299.22	.00	231,489.90
ADULT EDUCATION	50.00-	50.00	.00	.00	.00
<b>TOTAL</b>	<b>808,285.96</b>	<b>232,155.82</b>	<b>143,124.96</b>	<b>.00</b>	<b>897,316.82</b>

CHECKING    32,479.59    INVESTMENTS    .00    SBMMF    864,837.23    TOTAL    897,316.82  
 ACCOUNTS PAYABLE    .00

REGION CENTER II SCHOOL

BISCAYNE GARDENS ELEMENTARY SCHOOL  
 AUDIT REPORT  
 FOR THE 2002-03 AND 2003-04 FISCAL YEARS  
 JULY 1, 2002 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL

Address: 560 N. W. 151 Street, Miami, Florida 33169

Date School Established: 1955

Grades: PK-6

Principal: Ms. Valerie Ward

Bookkeeper: Ms. Luna Deslandes

Community School Assistant Principal: Ms. Sandra Rosen

After School Care Program Manager: Ms. Geraldine Wilson

Community School Secretaries: Ms. Keesha Kearney (Through July 2003)  
 Mr. Antoine Philidor

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/03</u>	<u>6/30/04</u>
Checking Account:				
Kislak National Bank	--	0.25	\$ 13,154.35	\$ (673.23)
Investment:				
MDCPS-Money Market Pool Fund	Open-end	2.37 1.86	10,492.05	10,703.21
			<u>\$23,646.40</u>	<u>\$10,029.98</u>

## BISCAYNE GARDENS ELEMENTARY SCHOOL (Continued)

### AUDIT EXCEPTIONS

#### Community School Program

1. The Community School Assistant Principal discovered and subsequently notified the principal of several discrepancies in the Community School Program records. Immediately, the principal unsuccessfully attempted to contact the former Community School secretary who was responsible for maintaining these records. We confirmed that:
  - a. After School Care Program receipted collections amounting to \$368 could not be traced to any deposit package. Most of these collections were made during the time when the former Community School secretary handled the collections.
  - b. Thirty eight official receipt books were not presented for audit. According to the Plant Security Report presented for audit, on July 11, 2003, the Community School Assistant Principal discovered that the closet where the official receipt books were stored was unlocked and the receipt books were missing. Also, according to the report, only the Community School Assistant Principal and the former Community School secretary had keys to the closet. We noted that the Plant Security Report presented for audit was not signed by the principal or her designee.
2. As part of the review of the Community School records, we also reviewed the Prekindergarten Program and our review of the program disclosed the following:
  - a. For the 2002-03 fiscal year, there was a difference of \$1,300 between potential revenues of \$17,610 and collections posted to the account of \$16,310. Of the \$1,300, only \$520 was properly documented with letters that were sent to the parents for the outstanding liabilities. Also, there was a payment of \$180 posted to a student registration card that could not be traced to any deposit package.
  - b. For the 2003-04 fiscal year, there was a difference of \$7,950 between potential revenues of \$15,110 and collections posted to the account of \$7,160. Of the difference, \$7,310 corresponded to five students that attended the program, but apparently did not pay for the services received. Of the remaining \$640, only \$250 was properly documented as outstanding liabilities.
  - c. For both fiscal years, we noted that the fee-paying students were charged the reduced rate that is applicable when a student is eligible to participate in the free and reduced meals program; however, we noted several instances where the students paid the reduced rate prior to the date when they became eligible. We also noted some students who paid the reduced rate, although they were not eligible for the free and reduced meals program.

## BISCAYNE GARDENS ELEMENTARY SCHOOL (Continued)

3. We also reviewed the Before/After School Care and Summer Camp Programs which are part of the Community School Program. Our potential revenue analyses disclosed unfavorable differences of \$9,698 and \$47,392 between potential revenues of \$167,050 and \$181,933 and collections of \$157,352 and \$134,541 for 2002-03 and 2003-04 fiscal years, respectively. The differences were mostly the result of the school not submitting attendance rosters for reimbursement to the outside child care agency for most of the 2003-04 fiscal year, and not reconciling the subsidized child care program payments to make sure that all monies due to the school were received. At the request of the auditors, the school prepared the reconciliations and we determined that the amount of subsidized child care due to the school was approximately \$45,000. The school submitted the attendance rosters for the last four months of the 2003-2004 fiscal year to the corresponding agency for reimbursements; however, according to the agency, they could not reimburse those funds because the fiscal year had already closed. In addition, a reimbursement check for \$11,970 sent by one of the agencies in August 2003 had not been deposited. This agency is no longer involved in the subsidized child care program; however, at the request of the auditors, this agency was contacted and a replacement check was sent to the school.

We strongly recommend that the school administration and community school staff review the Community School Procedures manual, the Prekindergarten Community Education Programs Implementation Guide, and all procedures related to the Subsidized Child Care Program to correct the errors and prevent future recurrence of these conditions. Also, we strongly recommend that the corresponding District offices be contacted for further assistance with the administration of these programs.

### Financial Records

4. Our review of the bank reconciliation disclosed the following discrepancies:
  - a. The June 30, 2004 bank reconciliation disclosed a deficit checking account balance of \$(673); however, the checking account was not overdrawn. Also, the checkbook balance was not properly maintained.
  - b. The "Available Funds" (06) screen print generated by the MSAF system, listing the month-end checking and investment balances, which is used to monitor the finances of the school was not always timely printed.

We recommend that the school administration monitor the bank reconciliation process as required by Sections 6-3 and 8-1 of the Manual of Internal Accounting and Section V, Chapter 1 of the *new* Manual of Internal Fund Accounting.

## BISCAYNE GARDENS ELEMENTARY SCHOOL (Continued)

### Disbursements

5. Our review of the disbursements made during the audit period disclosed the following discrepancies:
  - a. The school collected \$1,777 during a book fair fund-raiser held during the spring of 2004; however the book fair vendor has not been paid as of the end of this audit.
  - b. A \$3,570 payment made during the 2002-03 fiscal year was not properly supported. At the request of the auditor, the vendor was contacted, and although additional documentation was received from the vendor, an itemized invoice matching the amount paid was not obtained.
  - c. During the 2003-04 fiscal year we noted a few instances where payment to vendors were not made on a timely basis. Delays noted ranged between 42 and 76 days. In addition, we noted a few instances where the invoices supporting the check requisitions indicated that vendors were overpaid small amounts.
  - d. During the audit period we noted several instances where payments were made and the vendor's invoice did not include the signature of the person acknowledging that the goods or services, as specified, were received and that payment was in order.
  - e. The Community School Program loaned \$1,375 to the day school for an opening of the school year breakfast. The school reimbursed the Community School Program \$1,375 with an internal funds check that was posted to the Instructional Materials and Supplies (Fund 9) account. The school subsequently received a \$1,375 check from the South Florida Annenberg Challenge Grant for this purpose; however, instead of depositing the check in the internal funds of the school, it was submitted to the District to be deposited in the district funds of the school.

Sections 4-1 and 4-2 of the Manual of Internal Accounting and Section II, Chapters 4 and 5 of the new Manual of Internal Fund Accounting establish the procedures for properly making disbursements. We recommend that the school administration closely monitor the disbursement function to prevent the conditions noted and promote compliance with the established procedures. In addition, we recommend that the Book Fair vendor be paid immediately.

### Payroll

6. Our review of the current payroll records disclosed the following departures from established procedures:
  - a. Compensatory time was paid to two ten-month employees for hours worked during the summer in 2003. In addition, the compensatory time records were maintained by the employees.



## BISCAYNE GARDENS ELEMENTARY SCHOOL (Continued)

- b. Some instances were noted where employees did not indicate their presence on the Daily Payroll Attendance Sheets, but were reported present on the Final Rosters.
- c. Many instances were noted where leave cards were not signed by the employee and/or the principal.

Chapters 1 and 2 of the Payroll Processing Procedures Manual establish the payroll procedures. We recommend compliance with the procedures. We also recommend that the practice of approving compensatory time to teachers for hours worked be discontinued immediately, as this is not allowed. Some of these conditions were discussed with the school administration during the prior audit.

### OTHER COMMENTS

#### Internal Funds

The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2002-03 and 2003-04 fiscal years, on the cash basis of accounting. However, as indicated by the findings, the school administration should emphasize adherence to the policies and procedures in the Manual of Internal Accounting, which establishes the system of internal controls designed by the District administration.

#### Property

The latest property inventory results were reported in June 2004, which showed "no unlocated" items. A property inventory for this center will be conducted in the latter part of this fiscal year.

REGION II SBM

SCHOOL - 0361 BISCAYNE GARDENS ELEME

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE		
MUSIC							
CHORUS ACTIVITY	10.52	.00	.00	.00	10.52		
MUSIC	10.52	.00	.00	.00	10.52		
CLASSES AND CLUBS							
ESE (EXCEP EDUC)	70.80	.00	.00	.00	70.80		
HAITIAN CLUB	.00	250.00	.00	.00	250.00		
CLASSES AND CLUBS	70.80	250.00	.00	.00	320.80		
TRUST							
DONATIONS	253.33	.00	.00	.00	253.33		
FIELD TRIPS	920.34	5,690.03	6,472.75	.00	137.62		
FUND RAISING	570.69	.00	.00	.00	570.69		
LIBRARY	112.57	.00	1,711.34	1,976.36	377.59		
LOST&DAMAGE TEXT	.00	25.00	25.00	.00	.00		
NON-RESIDENT TUI	.00	50.00	50.00	.00	.00		
SPECIAL PURPOSE	325.25	.00	1,833.45	3,844.50	2,336.30		
UNCLAIMED STALE-	44.70	.00	41.00	4.50	8.20		
UNITED WAY	.00	2,556.99	2,556.99	.00	.00		
BOOK FAIR	1,976.36	2,030.77	2,030.77	1,976.36	.00		
SCHOLARSHIP 20	67.31	100.00	.00	.00	167.31		
GRANTS I	464.67	.00	.00	464.67	.00		
GRANTS II	.00	16,996.32	13,996.32	3,000.00	.00		
GRANT III	.00	500.00	389.29	.00	110.71		
TRUST	4,735.22	27,949.11	29,106.91	384.33	3,961.75		
GENERAL							
GENERAL MISCELLA	484.12	2.69	71.06	453.37	869.12		
INTEREST	.00	292.44	.00	.00	292.44		
SCHOOL PICTURES	.00	5,606.45	3,647.15	829.50	1,129.80		
VENDING MACHINES	.00	243.36	.00	.00	243.36		
DONATIONS	.00	1,168.72	.00	.00	1,168.72		
GENERAL	484.12	7,313.66	3,718.21	376.13	3,703.44		
INSTRUCTIONAL MATERI							
FUND-9 INST. MAT	8,367.63	28,401.70	24,909.77	.00	11,859.56		
INSTRUCTIONAL MATE	8,367.63	28,401.70	24,909.77	.00	11,859.56		
COMMUNITY SCHOOL							
BEFORE/AFTER SCH	.00	99,881.85	99,868.05	13.80	.00		
COMM SCH CLASS F	.00	13,851.20	13,851.20	.00	.00		
PRE-K EARLY INTE	.00	900.00	720.00	5.60	185.60		
COMM SCHL-ACTIVI	3,394.43	4,415.00	4,204.70	.00	3,604.73		
PRE-K FEES	.00	16,410.00	16,410.00	.00	.00		
SUBSIDIZED CHILD	.00	36,220.80	36,220.80	.00	.00		
COMMUNITY SCHOOL	3,394.43	171,678.85	171,274.75	8.20	3,790.33		
TOTAL	17,062.72	235,593.32	229,009.64	.00	23,646.40		
CHECKING	13,154.35	INVESTMENTS	.00	SBMMF	10,492.05	TOTAL	23,646.40
			ACCOUNTS PAYABLE	.00			

ACCESS CENTER II


SCHOOL - 0361 BISCAYNE GARDENS ELEME

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE		
MUSIC							
CHORUS ACTIVITY	10.52	.00	.00	10.52-	.00		
MUSIC	10.52	.00	.00	10.52-	.00		
CLASSES AND CLUBS							
ESE (EXCEP EDUC)	70.80	.00	.00	70.80-	.00		
HAITIAN CLUB	250.00	.00	3,047.66	3,257.00	459.34		
CLASSES AND CLUBS	320.80	.00	3,047.66	3,186.20	459.34		
TRUST							
DONATIONS	253.33	.00	.00	.00	253.33		
FIELD TRIPS	137.62	7,825.05	8,471.75	509.08	.00		
FUND RAISING	570.69	.00	.00	570.69-	.00		
LIBRARY	377.59	.00	575.67	198.08	.00		
LOST&DAMAGE TEXT	.00	18.42	18.42	.00	.00		
NON-RESIDENT TUI	.00	100.00	100.00	.00	.00		
SPECIAL PURPOSE	2,336.30	1,293.50	4,711.96	1,253.50	171.34		
UNCLAIMED STALE-	8.20	.00	8.20	29.69	29.69		
UNITED WAY	.00	571.98	571.98	.00	.00		
BOOK FAIR	.00	3,651.48	1,611.46	2,040.02-	.00		
SCHOLARSHIP 20	167.31	100.00	247.06	.00	20.25		
DONATION TWO	.00	300.00	300.00	.00	.00		
GRANT III	110.71	500.00	326.30	.00	284.41		
TRUST	3,961.75	14,360.43	16,942.80	620.36-	759.02		
GENERAL							
GENERAL MISCELLA	3,703.44	59.59-	6,292.16	1,984.87	663.44-		
INTEREST	.00	260.90	.00	.00	260.90		
SCHOOL PICTURES	.00	6,763.00	4,132.64	1,273.19-	1,357.17		
VENDING MACHINES	.00	200.67	.00	.00	200.67		
DONATIONS	.00	2,607.05	.00	3,257.00-	649.95-		
GENERAL	3,703.44	9,772.03	10,424.80	2,545.32-	505.35		
INSTRUCTIONAL MATERI							
FUND-9 INST. MAT	11,859.56	25,454.45	31,855.14	.00	5,458.87		
INSTRUCTIONAL MATE	11,859.56	25,454.45	31,855.14	.00	5,458.87		
COMMUNITY SCHOOL							
BEFORE/AFTER SCH	.00	103,216.20	103,707.00	.60	490.20-		
COMM SCH CLASS F	.00	15,193.50	15,188.50	5.00-	.00		
PRE-K EARLY INTE	185.60	.00	.00	185.60-	.00		
COMM SCHL-ACTIVI	3,604.73	4,911.00	5,178.13	.00	3,337.60		
PRE-K FEES	.00	6,160.00	6,340.00	180.00	.00		
SUBSIDIZED CHILD	.00	32,840.60	32,840.60	.00	.00		
COMMUNITY SCHOOL	3,790.33	162,321.30	163,254.23	10.00-	2,847.40		
TOTAL	23,646.40	211,908.21	225,524.63	.00	10,029.98		
CHECKING	673.23-	INVESTMENTS	.00	SBMMF	10,703.21	TOTAL	10,029.98
			ACCOUNTS PAYABLE	.00			

MEMORANDUM

December 8, 2004

TO: Ms. Enid Weisman, Assistant Superintendent  
Region Center II

FROM: Valerie B. Ward, Principal   
Biscayne Gardens Elementary Community School

SUBJECT: **RESPONSE TO INTERNAL FUNDS AUDIT FOR JULY 1, 2002  
THROUGH JUNE 30, 2004**

This administrator discussed the results of the 2002 through 2004 audit findings with the Assistant Principal for Community Education (APCE), the treasurer, as well as other relevant staff members. Additionally, a review of the guidelines and procedures as stated in Sections 6-3 and 8-1 of the Manual of Internal Accounting and Section V, Chapter 1 of the new Manual of Internal Fund Accounting; Sections 4-1 and 4-2 of the Manual of Internal Accounting and Section II, Chapters 4 and 5 of the new Manual of Internal Fund Accounting were reviewed. Chapters 1 and 2 of the Payroll Processing Procedures manual were also discussed with the payroll clerk. These sections of the manual will be reviewed with all pertinent faculty and staff during the 2004-2005 school year.

Corrective and preventative actions have been taken by this administrator to address and remedy those areas cited as audit exceptions. Strategies have also been developed and implemented to ensure compliance with the guidelines and procedures found in the new Manual of Internal Fund Accounting. This response has been reviewed with the treasurer, assistant principal, and all relevant staff members to avoid future audit exceptions.

This administrator will continue to take an active role in the implementation and monitoring of all internal fund activities throughout the 2004-2005 school year and in the future. Continued utilization of the District Business Manager and Region Center II Business Administrative Director as added resources will further help to ensure compliance with the guidelines found in the new Manual of Internal Fund Accounting.

VBW:lmd

**BISCAYNE GARDENS ELEMENTARY SCHOOL  
MS. VALERIE WARD, PRINCIPAL  
Action Plan for the 2002-2003 and 2003-2004 Audit Exceptions**

AUDIT EXCEPTIONS(S)	AUDIT RESPONSES			PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE STRATEGIES	MONITORING	
<p><u>Community School Program</u></p> <p>1.</p>	<ul style="list-style-type: none"> <li>The principal reviewed the audit findings and the <u>Community School Procedures manual</u> with the <u>Community School Specialist, Assistant Principal for Community Education, and the Program Manager.</u> (September 2004)</li> <li>The principal directed the <u>Community School Program Specialist</u> to complete the deposit package daily and submit it to the bookkeeper. (September 2004)</li> <li>The principal directed the <u>After School Care Program Manager</u> to check the deposit package before the program specialist submits it to the bookkeeper. (September 2004)</li> </ul>	<ul style="list-style-type: none"> <li>The principal will request training for all <u>After School Care personnel</u> from the <u>Community School Office</u> at the district.</li> <li>At the end of the day, the principal will sit with the <u>Community School Specialist</u> and the <u>program manager</u> and review the deposit packages to ensure that all reports are included and are accurate. These reports along with the funds will be submitted to the bookkeeper. Errors will be addressed immediately.</li> </ul>	<p>Principal Community School Program Specialist After School Care Program Manager</p> <p>Principal Bookkeeper Community School Secretary After School Care Program Manager</p> <p>Principal After School Care Program Manager Bookkeeper Program Specialist</p>	

**BISCAYNE GARDENS ELEMENTARY SCHOOL  
MS. VALERIE WARD, PRINCIPAL  
Action Plan for the 2002-2003 and 2003-2004 Audit Exceptions**

AUDIT EXCEPTIONS(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
<p><u>Community School Program Continued</u></p> <p>1.</p>	<ul style="list-style-type: none"> <li>The principal will request that the room where the receipt books are stored is re-keyed. The principal will store receipt books in a secure location and limit access to this location. (September 2004)</li> </ul>	<ul style="list-style-type: none"> <li>The principal will ensure that she designates a limited number of personnel access to the room where receipt books are stored. On an ongoing basis, the principal will visibly check the room where the receipts books are stored to ensure that they are secure, and that only the personnel that she authorized is entering the room.</li> </ul>	Principal
<p>Community School Program</p> <p>2.</p>	<p><i>Effective with the 2004-2005 school year, the school no longer has a fee supported Pre-kindergarten program. In the event this administrator is assigned to a school with this program the following would occur.</i></p> <ul style="list-style-type: none"> <li>The principal would review the audit findings and the appropriate sections of the <u>Pre-kindergarten Community Education Programs Implementation Guide</u> and the <u>Subsidized Child Care Program</u> with appropriate personnel. She would request training for personnel who work with the program. (September 2004)</li> </ul>	<ul style="list-style-type: none"> <li>The principal would meet with the personnel who handle the pre-kindergarten program periodically to ensure that they understand the guidelines as outlined in the documents. Questions and concerns would be directed to the Office of Community School if assistance was needed.</li> </ul>	Principal Appropriate Personnel

**BISCAYNE GARDENS ELEMENTARY SCHOOL  
MS. VALERIE WARD, PRINCIPAL  
Action Plan for the 2002-2003 and 2003-2004 Audit Exceptions**

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
<p><u>Community School Program Continued</u></p> <p>2.</p>	<ul style="list-style-type: none"> <li>The principal would direct the bookkeeper to properly post funds to the account. (September 2004)</li> <li>The principal would direct the community school specialist and the APCE to follow the procedures as outlined in the guidelines as they relate to recording of payments for the pre-kindergarten program. (September 2004)</li> <li>The principal would direct the community school specialist to keep a log of the contacts made with parents regarding outstanding liabilities and maintain copies of letters sent to parents requesting payment. (September 2004)</li> </ul>	<ul style="list-style-type: none"> <li>The principal, on a monthly basis, would review the student registration cards and fee payment schedules with the community school specialist and APCE to ensure that proper procedures are followed and funds are being collected from all students who should pay fees for the program. Errors and discrepancies would be corrected immediately.</li> <li>The principal, on a monthly basis, would check the parent contact log to ensure that parents were being notified of outstanding liabilities and that follow-up was occurring. Discrepancies would be addressed immediately.</li> </ul>	<p>Principal Bookkeeper Community School Specialist APCE</p> <p>Principal APCE Community School Specialist</p>

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AUDIT EXCEPTIONS(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
<p><u>Community School Program Continued</u> 2.</p>	<ul style="list-style-type: none"> <li>The principal would meet with the assistant principal and the clerk responsible for processing the free and/or reduced lunch applications and review the procedures as they relate to fees in the pre-kindergarten program. (September 2004)</li> </ul>	<ul style="list-style-type: none"> <li>The principal would spot check the free and/or reduced lunch applications, on a monthly basis, to ensure that students paying the reduced rate were eligible based on the applications. Discrepancies would be addressed immediately.</li> </ul>	Principal Clerk
<p><u>Community School Program</u> 3.</p>	<ul style="list-style-type: none"> <li>The principal directed the assistant principal and the secretary to request reimbursements from the proper agencies and reconcile the reimbursements as outlined in the guidelines. She further directed them to submit the attendance rosters to the agencies for reimbursement, post checks received from the agencies, and submit funds to the bank in a timely manner. (September 2004)</li> </ul>	<ul style="list-style-type: none"> <li>The principal will check to ensure that all guidelines are being followed each month as they relate to the Subsidized Child Care Program. Errors will be addressed immediately. If necessary, additional training will be requested.</li> <li>The principal will check with the agencies, periodically, to ensure that payments were sent to the school. She will further</li> </ul>	Principal Bookkeeper APCE  Principal Bookkeeper



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	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
<p><u>Community School Continued</u></p> <p>3.</p>		<p>meet with the treasurer to review the MSAF system printout to ensure that funds received have been properly deposited in the school's account.</p>	
<p><u>Financial Records</u></p> <p>4.</p>	<ul style="list-style-type: none"> <li>• The principal met with the bookkeeper and reviewed the audit findings and Section V, Chapter 1, of the <u>new Manual of Internal Fund Accounting</u>. (September 2004)</li> <li>• The principal directed the bookkeeper to maintain the checkbook balance daily. She further directed the bookkeeper to reconcile the bank statement to the school's bank reconciliation on a monthly basis. (September 2004)</li> </ul>	<ul style="list-style-type: none"> <li>• The principal will meet with the bookkeeper to ensure that she understands and is following the procedures as outlined in the manual.</li> <li>• The principal will review the checkbook balance and the MSAF printout daily to ensure that checks are posted in the system and that the checkbook balance and MSAF system printout are the same. Errors will be corrected immediately.</li> </ul>	<p>Principal Bookkeeper</p> <p>Principal Bookkeeper</p>

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<b>AUDIT RESPONSES</b>				<b>PERSON(S) RESPONSIBLE</b>
<b>AUDIT EXCEPTIONS(S)</b>	<b>IMMEDIATE CORRECTIVE ACTIONS</b>	<b>PREVENTATIVE MONITORING STRATEGIES</b>		
<p><u>Financial Records</u> <u>Continued</u></p> <p>4.</p>	<ul style="list-style-type: none"> <li>• The principal directed the bookkeeper to reconcile the MSAF's checkbook balance daily. She further directed the bookkeeper to reconcile the bank statement to the school's bank reconciliation, monthly. (September 2004)</li> <li>• The principal directed the bookkeeper to print the "Available Funds" (06) screen generated by the MSAF system in a timely manner and to properly file after reconciliation for her records and for the auditor. (September 2004)</li> </ul>	<ul style="list-style-type: none"> <li>• The principal, on an announced basis, will request from the bookkeeper a printout of the MSAF balance and compare it to the actual checkbook balance. All discrepancies will be addressed immediately.</li> <li>• At the end of each month, the principal will request from the bookkeeper a copy of the "Available Funds" (06) screen print in order to ensure that it is being printed as outlined in Section V, Chapter 1 of the <u>new Manual of Internal Fund Accounting</u>. Discrepancies will be addressed immediately.</li> </ul>	<p>Principal Bookkeeper</p> <p>Principal Bookkeeper</p>	
<p><u>Disbursements</u></p> <p>5.</p>	<ul style="list-style-type: none"> <li>• The principal met with the bookkeeper and reviewed the audit findings and Section II, Chapters 4 &amp; 5 of the <u>new Manual of Internal Fund Accounting</u>. (September 2004)</li> </ul>	<ul style="list-style-type: none"> <li>• The principal will review with the bookkeeper all outstanding invoices on a weekly basis. She will check to ensure that the invoices are not past due, the signature of the person acknowledging that the goods or services were received is included, payment is in order, and the invoices are itemized, with proper</li> </ul>	<p>Principal Bookkeeper</p>	

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AUDIT EXCEPTIONS(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
<p><u>Disbursements Continued</u> 5</p>	<ul style="list-style-type: none"> <li>The principal directed the bookkeeper to pay all vendors from the original invoice in a timely manner and follow all procedures related to disbursements as outlined in Section II, Chapters 4 &amp; 5 of the new <u>Manual of Internal Fund Accounting. (September 2004)</u>.</li> <li>The principal directed the bookkeeper to establish a log for outstanding invoices. The log will include the name of the vendor, invoice number, the amount due, due date, date of disbursement and the check number. (September 2004)</li> <li>The principal directed the bookkeeper to pay the vendor only after the original invoice is received and is properly supported and itemized. (September 2004)</li> <li>The principal directed the bookkeeper to disburse funds properly when making reimbursements. (September 2004)</li> </ul>	<p>supporting documentation. All discrepancies will be addressed immediately.</p> <ul style="list-style-type: none"> <li>The principal will review the log on a weekly basis to ensure that invoices are paid in a timely manner. Concerns will be addressed with the bookkeeper immediately.</li> </ul>	<p>Principal Bookkeeper  Principal Bookkeeper</p>

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AUDIT EXCEPTIONS(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
<p><u>Payroll</u></p> <p>6.</p>	<ul style="list-style-type: none"> <li>The principal met with the payroll clerk and the assistant principal and reviewed the audit exception and the <u>Payroll Processing Procedures Manual</u>. (September 2004)</li> <li>The principal directed the payroll clerk to maintain the compensatory time records for eligible employees. (September 2004)</li> <li>The principal directed the payroll clerk to pay close attention to the proper maintenance of the daily attendance sheets, check that employees are signing in when present and include proper supporting documentation when employees have taken leave and that employees are signing in when present. (September 2004)</li> </ul>	<ul style="list-style-type: none"> <li>The principal, as part of the bi-weekly payroll procedures, will check the request for compensatory time to ensure that the employee has signed the compensatory roster, that the principal has approved the compensatory time, and the person requesting the compensatory time had prior approval and that employee is eligible for compensatory time. All discrepancies will be addressed immediately. Persons ineligible for compensatory time will be denied.</li> <li>The principal, periodically, will review the Daily Attendance Reporting Sheet to check that employees are present and have signed in as required. Any employee not signed in, but is present that day will be required to sign in.</li> </ul>	

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AUDIT EXCEPTIONS(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
<u>Payroll Continued</u> 6.		<ul style="list-style-type: none"> <li>The principal, prior to approving the payroll, will meet with the payroll clerk and the assistant principal to do a final review of the payroll records. During the final review, the principal will thoroughly check that leave cards and other documentation as required support all leave and that all employees reported present have signed in on the Daily Attendance Reporting Sheet. Discrepancies will be addressed immediately.</li> </ul>	

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.*

Revised 5/9/03