

INTERNAL AUDIT REPORT

**AUDIT OF THE INTERNAL FUNDS
OF REGION CENTER III SECONDARY SCHOOLS**

MARCH 2005



OFFICE OF MANAGEMENT AND COMPLIANCE AUDITS

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

Mr. Frank J. Bolaños, Chair
Dr. Robert B. Ingram, Vice Chair
Mr. Agustin J. Barrera
Ms. Evelyn Langlieb Greer
Ms. Perla Tabares Hantman
Dr. Martin Karp
Ms. Ana Rivas Logan
Dr. Marta Pérez
Dr. Solomon C. Stinson

Mr. Adam C. Rosen, Student Advisor

Dr. Rudolph F. Crew
Superintendent of Schools

Ms. Carolyn Spaht
Chief of Staff

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

Contributors to this report:

Internal Audits Performed by:

Ms. Yvonne Barrios
Mr. Harry Demosthenes
Ms. Germa Garcia
Ms. Oria Lacayo
Mr. Reginald Lafontant
Ms. Latosha Styles

Internal Audits Supervised by:

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

Property Audits Supervised and Performed by:

Mr. Freddie Britt and Property Audits Staff



Miami-Dade County
Public Schools

giving our students the world

**AUDIT OF THE INTERNAL FUNDS
OF REGION CENTER III SECONDARY SCHOOLS
MARCH 2005**

**AUDIT COMMITTEE MEETING
MARCH 15, 2005**

**SCHOOL BOARD MEETING
APRIL 13, 2005**

OFFICE OF MANAGEMENT AND COMPLIANCE AUDITS



Miami-Dade County Public Schools

giving our students the world

Superintendent of Schools
Rudolph F. Crew, Ed.D.

Chief Auditor
Allen M. Vann, CPA

Assistant Chief Auditor
Jose F. Montes de Oca, CPA

Miami-Dade County School Board

Frank J. Bolaños, Chair
Dr. Robert B. Ingram, Vice Chair
Agustin J. Barrera
Evelyn Langlieb Greer
Perla Tabares Hantman
Dr. Martin Karp
Ana Rivas Logan
Dr. Marta Pérez
Dr. Solomon C. Stinson

March 8, 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 seven secondary schools from Region Center III and six additional secondary schools that formerly reported to Region Center III but currently report to the School Improvement Zone. The audit period was one fiscal year ended June 30, 2004. The six Improvement Zone schools are included in this report because they were Region Center III schools during the audit period.

The audits at these schools included a review of internal funds, property, and payroll records. We also reviewed the Community School Program records at those schools having the program, which is accounted through the internal funds. A review of the Procurement Credit Card Program was performed at one school, while food service records and procedures were reviewed at two schools. In addition, the most current "Authorized Applications for Employees by Locations Report" was reviewed at two schools. Property inventory results for all 13 schools are included in this report; and we are also including an analysis of property losses missing through the Plant Security Report Process.

Our audits disclosed that 11 of the 13 schools in this report were in compliance with prescribed policies and procedures and their internal funds and payroll records were maintained in good order. There were audit exceptions in the area of food service and particularly at one school, in the area of internal funds. Given the alarming level of non-compliance with certain established procedures, as well as other discrepancies in the financial activities of Miami Northwestern Senior, we have referred those matters to the Office of the Inspector General for their consideration. Regarding other functions tested at the schools, our review of the Procurement Credit Card Program and the "Authorized Applications for Employees by Locations Report" disclosed that procedures were followed at the schools where such reviews were performed. The physical inventory results showed that all 13 schools were in compliance with the prescribed procedures related to property, which is commendable. Property reported missing through the Plant Security Report process was insignificant.

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 March 15, 2005 meeting and to the School Board at its April 13, 2005 meeting.

Sincerely,

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

AMV:mtg

TABLE OF CONTENTS

**Page
Number**

I. INTRODUCTORY SECTION

EXECUTIVE SUMMARY	1
BACKGROUND	5
OBJECTIVES, SCOPE, AND METHODOLOGY	7
SUMMARY SCHEDULE OF AUDIT FINDINGS BY SCHOOL	11
PROPERTY SCHEDULES	12
RESPONSES FROM SENIOR MANAGEMENT	
School Improvement Zone Deputy Superintendent	13
Curriculum and Instruction Deputy Superintendent	14
Region Operational Centers Associate Superintendent.....	15
Region Superintendent at Region Center III	16

II. INDIVIDUAL AUDIT REPORTS

Miami Northwestern Senior.....	17
Miami Coral Park Senior	36
Design and Architecture Senior	41
Miami Central Senior	43
Miami Springs Senior.....	45
Brownsville Middle	47
Rubén Darío Middle.....	49
Doral Middle.....	51
Charles R. Drew Middle	53
Madison Middle.....	55
Miami Springs Middle	57
Rockway Middle.....	59
Westview Middle.....	61

I. INTRODUCTORY SECTION

EXECUTIVE SUMMARY

The Office of Management and Compliance Audits has completed the audits of the internal funds of seven secondary schools from Region Center III and six additional secondary schools that formerly reported to Region Center III but currently report to the School Improvement Zone. The audit period was one fiscal year ended June 30, 2004. Although the reporting lines for six of these schools changed from Region Center III to the School Improvement Zone, as result of the establishment of the School Improvement Zone in August 2004, we included them in this report because they were part of the Region III schools during the entire 2003-04 fiscal year.

The scope of the audit conducted at these schools included the: (1) audit of the financial records for internal funds that includes a review of the community school records at those schools 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; (4) review of the Procurement Credit Card Program at one school; (5) review of food service procedures at two schools; and (6) review of the "Authorized Applications for Employees by Locations Report" at two schools.

Financial Statements and Control over Financial Reporting

The financial statements of 12 of the 13 schools in this audit report present fairly, in all material respects, the changes in fund balances arising from cash transactions of the schools during the 2003-04 fiscal year, on the cash basis of accounting. However, in our opinion, for Miami Northwestern Senior, the financial statement does not present fairly the changes in fund balances arising from cash transactions during the 2003-04 fiscal year, on the cash basis of accounting.

As of June 30, 2004, the internal controls at the schools in this report generally functioned as designed by the District administration and implemented by the schools, except for Miami Northwestern Senior, as discussed in the individual audit report and in the Summary section below.

Summary of Audit Findings

- o We are pleased to report that the records were maintained in good order and in accordance with prescribed policies and procedures at 11 of the 13 schools in this report (See Schedule on page 11).
 - **We commend the administration and staff of these schools, as well as Region Center III and District staffs, for supporting the schools' efforts to strive for excellence in this area.**

Internal Funds

At Miami Northwestern Senior, financial records were poorly organized, incomplete or with errors, and were provided to the auditors after repeated requests. Revenues and expenditures were not always properly documented and a few outstanding liabilities were not properly recorded (See report on page 17). Other discrepancies:

- There were inadequate controls over the checkbook balance and the processing of stale-dated and voided checks.
- With regard to the yearbook activity:
 - Documents were incomplete or missing;
 - The yearbook contract was substantially changed after the award was made;
 - The vendor overcharged the school for some of the yearbooks invoiced; and
 - As was the case in the past year, we were unable to trace yearbook advertising revenues to yearbook records.
- With regard to fundraising activities:
 - There were improper disbursement practices and incomplete reports.
- In reference to Athletic Tickets:
 - We were unable to verify the Soul Bowl football game proceeds because the school failed to follow the proper procedures for documenting ticket sales; and
 - There were discrepancies in the athletic ticket inventory again this year.
- The school operates an auto repair shop, an auto paint shop, a dry cleaning service, and a culinary arts program, where students participate and different services are provided to the public at a charge. Deficiencies noted:
 - *Auto Repair and Auto Paint Shop:* There was no control over the work performed at the auto repair and auto paint shops. Records were incomplete, and procedures were not followed when customers received services at no charge or when they provided their own parts and supplies.
 - *Dry Cleaning Service:* While tickets were issued to document the services, there were inconsistencies with the tickets reviewed, and procedures to safeguard the collections were unacceptable.
 - *Culinary Arts Program:* While a cash register was used at the culinary arts facility, proper cash register procedures were not followed and records were incomplete, disorganized and showed inconsistencies. Also, operating report and inventory reports were not prepared at the end of the fiscal year; therefore, we were unable to determine whether potential revenues were realized.

The administration concurred with our findings. See responses from senior management on page 13; and responses from the school administration on pages 24-35. *Based on the conditions described above and our observations during the audit of Miami Northwestern Senior, we have referred this matter to the Office of the Inspector General for their consideration.*

- **We recommend that School Improvement Zone staff closely monitor the school's adherence to the procedures in the new Manual of Internal Fund Accounting¹ to prevent recurrence of these findings.**

Food Service

- o At Miami Coral Park Senior, several student applications selected for the process of verification of a household's eligibility to participate in the free and reduced price meals program process did not have the verification section of the application completed. Also, this section was not signed by the principal or his administrative designee to indicate that the process had been completed (Page 36). The administration concurred with our findings. See responses from senior management on pages 14-16, and responses from the school administration on pages 39-40.
- **We recommend that Region Center III and District staffs closely monitor the adherence to the procedures in the Food and Nutrition Procedures Manual to prevent recurrence of these findings.**

Payroll

- o Our review of the payroll preparation and check distribution procedures disclosed that there was generally adequate segregation of the functions of the payroll preparation, authorization, and check distribution at the schools included herein. In addition, the payroll rosters were generally supported by adequately prepared attendance sheets as described by the Payroll Processing Procedures manual.

Property

- o Physical inventories of property items with an individual cost of \$1,000 or more were conducted at all 13 schools. Results indicated that all schools were in compliance with property procedures and there were "no unlocated" items. Approximately \$18.1 million was inventoried at these schools. In addition, property losses reported through the Plant Security Report process showed seven items at a cost of \$11,372 and a depreciated value of \$4,199 reported missing at four schools (Page 12).

¹At 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 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 2003-2004 fiscal year. As agreed by the Office of the Controller and this office, enforcement of the new Manual of Internal Fund Accounting will take effect, for audit purposes, beginning with the 2004-2005 fiscal year.

Procurement Credit Card Program

- A review of the Procurement Credit Card Program's records and procedures at one school disclosed that there was general compliance with the Procurement Credit Card Program Policies & Procedures Manual.

Data Security Quarterly Management Report And Approval Review

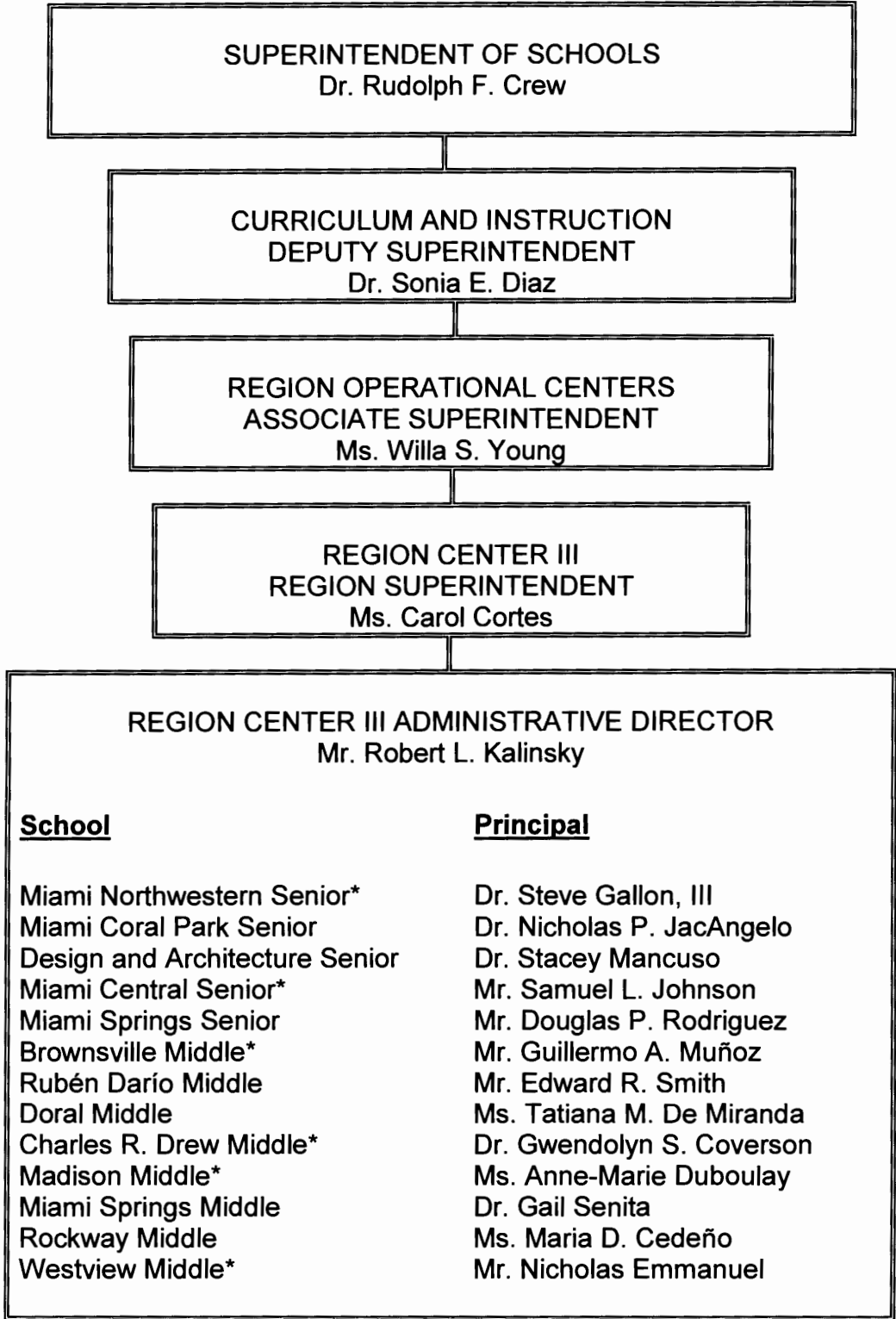
- Our review of the "Authorized Applications for Employees by Locations Report" at two schools disclosed that the reports were signed by the principals to indicate that employees were properly authorized to access certain computer applications; and the computer application that allows for academic grade changes was generally limited and restricted to the principal, one assistant principal, and the registrar .
 - **We commend the administration and staff of these schools, as well as Region Center III and District staffs for supporting the schools' efforts to strive for excellence in these areas.**

BACKGROUND

Internal funds are monies collected and expended within a school 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 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 upon demand. The interest rate as of June 30, 2004 was 1.86%. The principal of each individual school, and his/her staff, are charged with the responsibility of performing the actual internal accounting functions in accordance with the Manual of Internal Accounting.

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 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.



* A Region Center III school during the 2003-04 fiscal year up to July 2004. Effective August 2004, this school became an Improvement Zone school. As part of this reorganization, it currently reports to School Improvement Zone Operations, under the administration of Dr. Irving Hamer, Deputy Superintendent, School Improvement.

OBJECTIVE, SCOPE, AND METHODOLOGY

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 year ended June 30, 2004, of the schools 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;**
- **evaluate compliance by the schools with the policies and procedures prescribed by the Manual of Internal Accounting;**
- **evaluate the internal control at the schools to determine the extent to which the control components promote compliance with the policies and procedures prescribed by the Manual of Internal Accounting;**
- **provide assurances to the administration regarding compliance with current payroll procedures, as well as compliance with current procurement credit card and food service programs procedures; and**
- **provide assurances to the administration that certain information technology controls are in place.**

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. We also analyzed selected activities where the schools 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.

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 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 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.** 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.

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.

Compliance

In addition to the procedures performed for our audits of the financial statements of the schools, we tested compliance with selected policies and procedures prescribed by the Manual of Internal Accounting.

OTHER FUNCTIONS REVIEWED

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

Payroll

A review of selected payroll procedures **currently in effect** was conducted at **all** the schools to evaluate the propriety of the preparation and processing of the payroll, and to determine adherence to the Payroll Processing Procedures manual. The internal controls over this function, as well as payroll records were reviewed and evaluated to assure the existence of adequate controls.

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. In order to establish reporting parameters and afford the schools 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 being audited.*** If the aggregate value of the unlocated items at any school was below this threshold, the school 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. 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.

Food Service

To determine compliance with the Food and Nutrition Procedures Manual, a review of the food service records and procedures was made at **selected** schools. The applications for the **2004-05 school year** for free and reduced price meals submitted by the students were reviewed to verify the students' eligibility, as well as the random sample verification of income required by the federal government. Cash collection procedures were also reviewed and evaluated to assure the existence of adequate controls.

Data Security Quarterly Management Report and Approval Review

Information Technology Services (ITS) produces a quarterly report for each school location titled "Authorized Applications for Employees by Locations Report". Principals are responsible for reviewing this quarterly report to determine the appropriateness of computer applications approved for each school employee, as to whether they are required for his or her assigned duties; and to ensure that access to the computer application that allows for changes to students' academic grades is limited to a specific and restricted number of authorized personnel at their schools. We reviewed these reports at **selected** schools to ascertain that they are currently being reviewed and signed by the principal and that, according to these reports, access to academic grade changes via the computer system is limited and restricted.

**REGION CENTER III SECONDARY SCHOOLS
SUMMARY SCHEDULE OF AUDIT FINDINGS BY SCHOOL**

School	Page No.	CURRENT YEAR AUDIT FINDINGS		PRIOR YEAR AUDIT FINDINGS	
		Total Per School	AREA OF FINDING	Total Per School	AREA OF FINDING
Miami Northwestern Sr. ⁽¹⁾⁽⁴⁾ <i>(Same school administration during both audit periods)</i>	17	7	<ul style="list-style-type: none"> • Financial Mgt. • Prenumbered Forms Inv. • Disbursements • Yearbook • Fundraising • Athletic Tickets • Production Shops 	2	<ul style="list-style-type: none"> • Yearbook • Food Service
Miami Coral Park Senior ⁽²⁾⁽⁴⁾ <i>(Different school administration during both audit periods)</i>	36	1	<ul style="list-style-type: none"> • Food Service 	3	<ul style="list-style-type: none"> • Yearbook • Fundraising • Special Purpose
Design and Architecture Senior	41	None		None	
Miami Central Senior ⁽¹⁾	43	None		None	
Miami Springs Senior	45	None		None	
Brownsville Middle ⁽¹⁾⁽²⁾⁽³⁾⁽⁵⁾	47	None		3	<ul style="list-style-type: none"> • Disbursements • Instruct. Materials and Supplies • Fundraising
Rubén Darío Middle ⁽²⁾⁽⁵⁾	49	None		None	
Doral Middle	51	None		None	
Charles R. Drew Middle ⁽¹⁾	53	None		None	
Madison Middle ⁽¹⁾	55	None		None	
Miami Springs Middle	57	None		None	
Rockway Middle	59	None		None	
Westview Middle ⁽¹⁾	61	None		None	
TOTAL		8		8	

Notes:

- (1) School Improvement Zone Schools (6 schools).
- (2) Change in Principal at this school since prior year audit (3 schools).
- (3) Procurement Credit Card Program records and procedures were reviewed at this school (1 school).
- (4) Food service records and procedures were reviewed at this school (2 schools).
- (5) "Authorized Applications for Employees by Locations" Report was reviewed at this school (2 schools).

**REGION CENTER III SECONDARY SCHOOLS
COMPARATIVE PROPERTY INVENTORY RESULTS**

SCHOOLS	CURRENT INVENTORY					PRIOR INVENTORY	
	Total Items	Dollar Value	Unlocated Items			No. of Unloc. Items	Dollar Value
			No. of items	At Cost	At Deprec. Value		
Miami Northwestern Senior	1,707	\$ 3,241,713	None			None	
Miami Coral Park Senior	1,022	1,810,577	None			8	\$ 11,318
Design and Architecture Senior	440	797,938	None			None	
Miami Central Senior	1,470	2,595,099	None			None	
Miami Springs Senior	1,112	1,636,394	None			None	
Brownsville Middle	889	1,215,105	None			None	
Ruben Dario Middle	702	1,002,498	None			None	
Doral Middle	590	1,130,921	None			None	
Charles R. Drew Middle	477	749,764	None			None	
Madison Middle	712	969,669	None			None	
Miami Springs Middle	832	1,101,378	None			None	
Rockway Middle	619	988,593	None			None	
Westview Middle	674	833,282	None			None	
TOTAL	11,246	\$ 18,072,931	None			8	\$ 11,318

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

SCHOOLS	No. of Plant Security Reports	Total Items	Total Amount At Cost	CATEGORY (AT COST)		Total Depreciated Value
				Computers	Other	
Miami Coral Park Senior	1	4	\$ 7,289		\$ 7,289	\$ 2,584
Design and Architecture Senior	1	1	1,278	\$ 1,278		809
Miami Central Senior	1	1	1,406	1,406		806
Ruben Dario Middle	1	1	1,399	1,399		0
TOTAL	4	7	\$ 11,372	\$ 4,083	\$ 7,289	\$ 4,199

Note: Schools with no property reported missing through the Plant Security Report process are excluded from this schedule.

RESPONSES FROM SENIOR MANAGEMENT

MEMORANDUM

March 7, 2005

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

FROM: Irving Hamer, Deputy Superintendent
School Improvement



**SUBJECT: RESPONSE TO INTERNAL FUNDS AUDIT OF MIAMI
NORTHWESTERN SENIOR HIGH SCHOOL**

Attached please find the response to the 2003-2004 internal audit conducted at Miami Northwestern Senior High School prepared by the principal. The principal has described immediate corrective actions that were taken to address the audit exceptions in his school and the preventative strategies that will be established to prevent any recurrences.

With the support of the School Improvement Business Director and the District Business Manager, all affected personnel will participate in an inservice training program. The Business Director will conduct quarterly mini-audits at the school and will work closely with the principal 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 school principal in assuring compliance with the policies and procedures in the **new Manual of Internal Fund Accounting**.

IH/RLH:sr
M210

cc: Dr. Ronnie L. Hunter
Dr. Ana Maria Lopez-Ochoa
Dr. Steve Gallon, III

MEMORANDUM

March 1, 2005

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

From:  Sonia E. Díaz, Deputy Superintendent
Curriculum and Instruction

**SUBJECT: RESPONSE TO 2003-2004 INTERNAL FUNDS AUDIT
FOR MIAMI CORAL PARK SENIOR HIGH SCHOOL**

The response to the internal funds audit conducted for the 2003-2004 fiscal year by the Office of Management and Compliance Audits at Miami Coral Park Senior High School is attached.

The Region Superintendent will provide assistance to the affected personnel at this school. This office will monitor the ongoing actions of the administrators at this location and Region III in order to prevent future audit exceptions in the internal funds.

SED/pag
Attachments
M135

MEMORANDUM

February 25, 2005
WSY/#M144/2004-2005

To: Dr. Sonía Diaz, Deputy Superintendent
Curriculum and Instruction

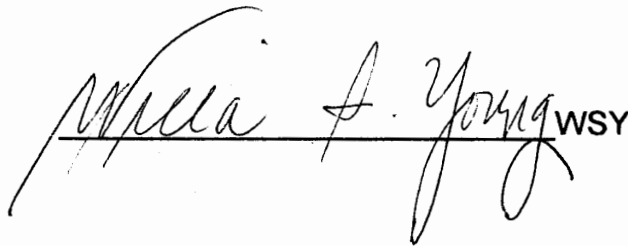
From: Willa S. Young, Associate Superintendent
Region Operational Centers

**SUBJECT: INTERNAL FUNDS AUDIT RESPONSES FOR MIAMI
CORAL PARK SENIOR HIGH SCHOOL**

The response to the internal funds audit conducted for the 2003-2004 fiscal year at Miami Coral Park Senior High School is attached for your review. The audit exception occurred in the Free and Reduced Price Meals Program for 2004-2005.

This office will monitor the actions of the principal and Region III in order to prevent and eliminate future audit exceptions in the area cited as well as all other areas of the internal funds.

WSY:pag
Attachments

 WSY

cc: Ms. Carol Cortes

REGION CENTER III

MEMORANDUM

February 23, 2005
CC#229/2004-2005
305-883-0403

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

FROM: Carol Cortes, Region Superintendent
Region Center III

SUBJECT: **RESPONSE TO INTERNAL FUNDS AUDIT OF MIAMI CORAL
PARK SENIOR HIGH SCHOOL FOR THE 2003-2004 SCHOOL
YEAR**

Please find the response to the internal funds audit of Miami Coral Park Senior High School for the 2003-2004 school year. Dr. Nick JacAngelo, was the principal of Miami Coral Park Senior High School during the audit period. The response to the exception addresses what actions he will take to prevent the exception from occurring in the future.

Dr. JacAngelo will take an active role in monitoring all personnel associated with collecting, reviewing, and the processing of lunch applications. Further, the principal will meet with selected school staff to monitor compliance and to ensure that the proper supporting documentation is maintained. The Region will follow-up with the principal to ensure that the principal maintains compliance with all guidelines as written in the **Food and Nutrition Procedures Manual**.

Should you have any questions, please contact me at (305) 883-0403.


_____ CC

CC/RK:cp
Attachments

cc: Mr. Jose Montes de Oca
Mr. Robert Kalinsky
Dr. Nick JacAngelo

II. INDIVIDUAL AUDIT REPORTS

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL*

Address: 1100 N. W. 71 Street, Miami, Florida 33150

Date School Established: 1955

Grades: 9-12

Principal: Dr. Steve Gallon, III

Business Manager: Ms. Maria V. Colon (Position effective October 2003)

Treasurer: Ms. Gwenette N. Stevens

Community School Assistant Principal: Ms. Essie McCray

Community School Secretary: Ms. Sherry Dukes

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
Union Planters Bank, N.A.	--	0.05	\$ 15,856.66
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>240,226.99</u>
TOTAL			<u>\$256,083.65</u>

* School Improvement Zone School.

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL (Continued)

AUDIT EXCEPTIONS

Financial Management and Records

1. Our review of financial records disclosed the following discrepancies:
 - a. The balance in the checkbook was not always maintained during the audit period and the current year.
 - b. Controls over unclaimed stale-dated checks and voided checks were weak. The Notifications of Unclaimed/Stale Check(s) sent to payees when checks were outstanding over six months were not available for audit. In addition, as of June 30, 2004, the account had a balance of \$12,050, of which \$12,032 represented checks issued during calendar year 2003 or before. A physical verification of the voided checks disclosed that not all voided checks had the signature lines removed nor were the checks defaced to prevent them from being cashed. In addition, some of the voided checks were not available for audit.
 - c. As of June 30, 2004, the school had outstanding payable balances with two vendors for \$3,935 and \$385; however, a year-end Outstanding Liabilities Report was not available for audit.
 - d. The financial records were poorly organized, several reports were incomplete, and records were not provided to the auditors in a timely manner.

We recommend that the checkbook balance be reconciled to both the MSAF system and the monthly bank reconciliation for better control over the checkbook activities and accurate reporting of checkbook balances. We also recommend that the school administration review their financial and recordkeeping practices and improve the controls over the maintenance of the financial records.

Prenumbered Forms Inventory

2. The Inventory of prenumbered forms was incomplete and contained numerous errors. Similar findings were noted and discussed with the school administration during the prior three audits. Section 6-3 of the Manual of Internal Accounting requires that a complete inventory be prepared at the end of the fiscal year. The school administration should comply with the established procedures.

Disbursements

3. Our review of disbursements disclosed the following discrepancies:
 - a. A few check requisitions and supporting documentation were missing; however, the corresponding checks were issued and cashed.
 - b. Several payments for what appears to be meal expenditures incurred during travel by faculty and students to various school competitions were not supported with invoices, and the corresponding Travel Expense Reports by Faculty When Accompanying Students were incomplete and most were not signed by the principal or his delegate.

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL (Continued)

- c. A \$600 check was issued to the Athletic Business manager to be used for change during athletic games but only \$500 was returned. The \$100 difference was covered with a transfer of funds from the Athletic Fund-General Athletics account. Based on the documentation presented for audit, we were unable to trace the \$100 to receipts posted in the General Athletics account.
- d. There were a few instances of late payments and postings to the MSAF system.

Section 4-2 of the Manual of the Internal Accounting and Section II, Chapters 4 and 5 of the *new Manual of Internal Fund Accounting* provide the guidelines for disbursing and documenting funds. We recommend compliance with established procedures.

Yearbook

- 4. Our review of the yearbook activity disclosed the following discrepancies:
 - a. The winning bid was not signed by the principal, the Bid Tabulation form was prepared incorrectly, and only one committee member appraisal form was presented for audit.
 - b. The school solicited bids for the yearbooks and selected a vendor that offered the book at a base price of \$67, exclusive of color page charges. Subsequently, an addendum to the bid was made to change the yearbook to an all-color book with a base price of \$91. According to the addendum, the order was for 200 yearbooks at \$91 each. Any additional yearbooks ordered were to be charged at \$50 per book; however, we noted that 29 additional books purchased were incorrectly charged at \$91 each. This resulted in an overpayment of \$1,189, which the vendor agreed to refund.
 - c. We were unable to trace payments for five full page ads in the yearbook to the Record of Yearbook Advertising Sold or to the official books used to account for these collections. Based on other charges, these ads had a potential sales value of \$925; however documentation to verify the actual price of the ads was not available. A similar item regarding advertisement payments that could not be verified was reported in the prior audit.

Section 7-12 of the Manual of Internal Accounting and Section IV, Chapter 6 of the *new Manual of Internal Fund Accounting* establish the procedures to properly conduct the yearbook activity. We recommend compliance with these procedures. Some of these discrepancies were noted in the prior audit report.

Fundraising Activities and Gradnite

- 5. The review of fundraising activities and Gradnite disclosed the following:
 - a. In several fundraising activities, it appears that the disbursements were made using the cash collections, instead of making the purchases with internal funds checks.
 - b. Several Student Activity Operating Reports were not signed by the principal or his delegate. In addition, a candy sale with reported revenue of \$2,287 was extended to the community and the corresponding region approval was missing.

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL (Continued)

- c. During the 2003-04 fiscal year the school received a check for \$3,708 from the travel agency to partially reimburse students who participated in the 2002-03 Gradnite activity; however, only \$756 was refunded to the students. The difference remained in the Gradnite account. In addition, the operating report for the Gradnite activity was prepared incorrectly. As a result, it did not reflect an operating loss of \$(446). We also noted that the school overpaid the vendor \$409, which was subsequently refunded to the school.

Sections 7-1 and 7-2 of the Manual of Internal Accounting and Section IV, Chapter 2 of the *new* Manual of Internal Fund Accounting establish the procedures to conduct fund-raising activities. We recommend compliance with these procedures.

Athletic Ticket Inventory

6. Our verification of the athletic ticket inventory for the 2003-04 fiscal year disclosed the following:
 - a. The school did not present for audit documentation as to the number of pre-sale tickets issued to this school for the Soul Bowl football game. In addition, the unsold pre-sale tickets, which were to be returned to the stadium for credit, remained at the school. Also, the school did not present accurate documentation for us to determine the actual number of tickets that were sold at the stadium. As a result, the total sales reported in the Soul Bowl Income Statement reports prepared by the stadium could not be verified.
 - b. There were several shortages and overages on different denominations of ticket inventories. According to the school administration, these differences were due to tickets sold for values other than what was printed on the tickets. A similar item was discussed with the school administration during the prior audit.

The Athletic Manual establishes the procedures to provide accountability for athletic tickets. The school administration should comply with these procedures.

Production Shops and Culinary Arts Program

7. The school operates an auto repair shop, an auto paint shop, a dry cleaning service, and a culinary arts program. Students participate in these programs and different services are provided to the public at a charge. Our review of these activities disclosed the following departures from established procedures:

Auto Repair and Auto Paint Production Shops

- a. There were no work orders issued in the auto repair class during the 2003-04 fiscal year. In the auto paint class, seven work orders were presented for audit, however, these forms were missing information and did not have a justification for not charging the customers. Our review for the current year disclosed that only five work orders had been issued for both classes as of the end of January 2005. During the audit, we observed a total of twelve vehicles in both shops; however, only two of the five work orders presented appeared to correspond to those vehicles.
- b. According to the instructors, the customers would bring their own supplies and replacement parts for vehicle body work and repairs. According to procedures, customers must provide an invoice when they furnish their own supplies and parts; however, only one invoice was

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL (Continued)

presented that corresponded to one of the current year's work orders. We also reviewed district accounts related to these production shop activities for the audit period and the current year and noted several instances where supplies and materials, such as masking tape, sanders, lacquer thinner, and topcoat hardener, had been purchased by the school.

Dry Cleaning Production Shop

- c. At the dry cleaning shop, orders were recorded and controlled by dry cleaning tickets printed at the dry cleaning shop. According to the instructor, customers would turn in the tickets along with the amount due when picking up the dry-cleaning items; however, a cash register or any other official receipts were not used to document receipt of payments. During our visit to the facility, we observed that a customer picked up his order and the instructor placed the ticket and the funds received inside his pocket.
- d. Several tickets corresponding to current year sales could not be traced to collections posted to the account or to any of the garments that remained awaiting pick-up. According to the instructor, the discrepancy may have occurred because he does not always charge the customers for the services rendered; however, he did not present any documentation to support this fact. We also noted two tickets with the same number for different dry cleaning orders.

Culinary Arts Program

- e. At the culinary arts program we noted that, although a cash register was used to record food sales and guest check forms were used to document the food ordered and paid by customers, a receipt was not always issued to support the sale at the time the food items were sold. In addition, the register tape was not always totaled to indicate the total sales for the day and the guest check forms were not listed in the Prenumbered Forms Inventory.
- f. Cash register tapes and guest checks for the culinary arts program were not attached to the corresponding Recaps of Collection and MSAF computer generated receipts. Instead, they were stored in a box. Very few of the forms found in the box listed an MSAF receipt number and several guest checks were not dated, which made it difficult to reconcile them. In addition, there were inconsistencies between the amounts reported in the Recaps of Collections and the supporting documentation. We also noted breaks in the sequence of control tapes in the register.
- g. An operating report and an inventory of food items were not prepared at the end of the fiscal year; therefore, we were unable to determine whether potential revenues were realized.

Section 7-9 of the Manual of Internal Accounting and Section IV, Chapter 16 of the new Manual of Internal Fund Accounting establish the procedures for production shop activities. We recommend compliance with these established procedures. The school administration should closely review these activities to make sure that proper controls are in place; to ensure that any services provided at no charge are clearly documented; and to ascertain that receipt of collections is properly documented. We also recommend that cash registers be properly used to control receipt of monies collected.

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL (Continued)

OTHER COMMENTS

Internal Funds

Because of the effects of the matters noted in the Athletics, Production Shops, and Culinary Arts Programs, and the various matters related to posting delays, errors, and other discrepancies, as discussed in the preceding paragraphs, the financial statement of the school does not present fairly the changes in fund balances arising from cash transactions during the 2003-04 fiscal year, on the cash basis of accounting. 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.

Based on the conditions described above and our observations during the audit, we have referred this matter to the Office of the Inspector General.

Food Service, Property, and Payroll

There were no significant audit exceptions noted in our review of food service and property records. In addition, there was general adherence to payroll procedures.

ACCESS CENTER III
 SCHOOL - 7411 MIAMI NORTHWESTERN SEN


FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	2,865.67	270,560.60	227,963.54	7,214.00-	38,248.73
MUSIC	1,332.64	7,885.00	8,312.49	379.75-	525.40
CLASSES AND CLUBS	12,805.64	290,505.44	297,015.00	52,873.39	59,169.47
TRUST	82,185.48	145,790.51	202,046.83	20,208.72	46,137.88
PROPERTY DEPOSITS	2,810.71	.00	.00	.00	2,810.71
INSTRUCTIONAL AIDS	7,586.75	4,170.72	4,593.53	37.50-	7,126.44
GENERAL	85,602.05	79,733.45	29,031.43	61,998.78-	74,305.29
INSTRUCTIONAL MATE	19,399.39	22,912.47	24,928.01	3,094.58-	14,289.27
COMMUNITY SCHOOL	10,795.56	141,048.69	151,487.45	100.00-	256.80
PRODUCTION/SERVICE	9,835.17	23,084.55	19,448.56	257.50-	13,213.66
TOTAL	235,219.06	985,691.43	964,826.84	.00	256,083.65

CHECKING 15,856.66 INVESTMENTS .00 SBMMF 240,226.99 TOTAL 256,083.65
 ACCOUNTS PAYABLE .00

MEMORANDUM

March 3, 2005

TO: Dr. Irving Hamer, Deputy Superintendent
School Improvement

FROM: Steve Gallon III, Principal 
Miami Northwestern Senior High School

**SUBJECT: RESPONSE TO INTERNAL FUNDS AUDIT FOR July 1, 2003
THROUGH June 30, 2004**

The principal has taken immediate actions to implement corrective and preventive strategies in response to the cited audit exceptions for the audited period of July 1, 2003 through June 30 2004. The principal has met with the assistant principals, the newly appointed treasurer, business manager, athletic business manager, yearbook advisor, vocational teachers, and appropriate club sponsors to discuss the audit report. All personnel authorized to collect funds will be required to participate in inservice training, either through the District or school site.

During the 2004-2005 school year, the principal will meet with the assistant principal, the business manager, the newly appointed treasurer, and the activities director to ensure compliance with the **new Manual of Internal Fund Accounting**. All production shop operations that involve the collection of funds have been suspended until staff has been trained and/or required resources and equipment have been provided. In the future, this administration will take an active role in monitoring full compliance with all established procedures in the **new Manual of Internal Fund Accounting**.

The principal will also confer with the School Improvement Operations Business Director and District Business Manager for guidance and support in maintaining full compliance with all guidelines found in the **new Manual of Internal Fund Accounting**.

I thank you and your staff for your continued support and assistance. Should you have any questions and/or concerns, please do not hesitate to contact me at 305-836-0991.

cc: Dr. Ana Maria Lopez-Ochoa
Dr. Ronnie L. Hunter

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL
Dr. Steve Gallon, III Principal
Action Plan for the 2003-2004 Audit Exceptions

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
1. Financial Management and Records	<p><i>The principal has taken the following corrective actions:</i></p> <ul style="list-style-type: none"> • The principal met with treasurer to review audit findings. A decision was made to reassign the current treasurer (February 16, 2005). • The principal assigned a new staff member to the position of treasurer and initiated transitional activities and timelines for the former and new treasurer (February 16, 2005). • The principal directed the treasurer to establish a complete and current running balance in the checkbook for both the prior and current year by Monday, February 28, 2005 (February 22, 2005). The principal met with the business manager to review audit 	<p><i>The strategies listed below will be implemented to prevent recurrence of cited audit exceptions:</i></p> <ul style="list-style-type: none"> • The principal will request a quarterly mini-audit of the internal funds records and documentation to be conducted by staff from the Office of Internal Funds to ensure ongoing compliance and monitoring. • The principal will request ongoing support and assistance to be provided to new treasurer by staff from Office of Internal Funds. • The principal will review with the business manager the maintenance of the checkbook on a weekly basis. The checkbook will be reviewed to ensure that a running balance is being properly maintained and reconciled to both 	Principal Business Manager Treasurer

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL
Dr. Steve Gallon, III Principal
Action Plan for the 2003-2004 Audit Exceptions

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
	<p>findings and Section II, Chapter 5 and Section V, Chapter 1 of the <u>new Manual of Internal Funds Accounting</u> and the Monthly and Fiscal Year-End Closing Procedures.</p> <ul style="list-style-type: none"> The principal met with the activities director, selected club sponsor, and vendor regarding unauthorized purchase and reviewed procedures for making purchases. The vendor was directed not to process orders without a copy of an approved purchase order signed by both the treasurer and the principal (February 17, 2005). The principal met the business manager and treasurer to review the audit findings regarding the organization of financial records. The business manager was directed to coordinate and assist in the organization of all financial records to ensure accountability and accessibility by Friday, March 11, 2005 (February 22, 2005). 	<p>the MSAF system and monthly bank reconciliation.</p> <ul style="list-style-type: none"> The principal will review with the business manager, the Internal Audit Checklist each month to ensure ongoing and consistent compliance with financial management and document retention procedures. The principal will develop a process to notify vendors regarding the process for facilitating orders with school staff to ensure that no orders are processed in the name of the school without a purchase order granting proper approval. The principal will review with the business manager and treasurer all outstanding invoices on a weekly basis. The business manager will check to ensure that the invoices are not past due. Discrepancies will be immediately addressed with the treasurer. The principal will direct the 	

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL
Dr. Steve Gallon, III Principal
Action Plan for the 2003-2004 Audit Exceptions

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
	<p>The principal directed the business manager to review the status of all stale-dated checks with treasurer to ensure compliance with established procedures (February 22, 2005).</p> <ul style="list-style-type: none"> The principal directed newly assigned treasurer to register for the New Treasurer's training on March 9-11 to facilitate transition into new role and assume new responsibilities. 	<p>treasurer to provide a printout of transactions posted to the MSAF for checks requested for signature to ensure that all checks are properly and timely posted to the MSAF.</p>	
2. Prenumbered Forms	<ul style="list-style-type: none"> The principal met with the treasurer and reviewed the audit findings related to the prenumbered forms inventory. The error, which resulted from an erroneous carryover from the previous years, was corrected. The principal reviewed Section 6 of the <u>Manual of Internal Accounting</u> with the treasurer to ensure compliance and adherence 	<ul style="list-style-type: none"> The principal will work with the Business Manager and treasurer to ensure that the prenumbered forms inventory is properly and accurately maintained. The principal will review the inventory with the Business Manager and treasurer on a monthly basis to ensure compliance, accuracy, and accountability. 	Principal Business Manager Treasurer

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL
Dr. Steve Gallon, III Principal
Action Plan for the 2003-2004 Audit Exceptions

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
	to established procedures.		
3. Disbursements	<ul style="list-style-type: none"> • The principal met with treasurer to review audit findings. A decision was made to reassign the current treasurer (February 16, 2005). • The principal assigned a new staff member to the position of treasurer and initiated transitional activities and timelines for the former and new treasurer (February 16, 2005). • The principal met with the business manager, activities director, athletic business manager, and treasurer to review the audit findings and Sections 4-1 and 4-2 of the <u>Manual of Internal Accounting</u> and Section II, Chapters 4 and 5 of the <u>new Manual of Internal Accounting</u> to 	<ul style="list-style-type: none"> • The principal will review with the business manager and treasurer the log for all purchase orders and outstanding invoices on a weekly basis to ensure that invoices are not past due and that procedures outlined in the <u>Manual of Internal Accounting</u> are being implemented. • The principal will preclude individual purchases for meals by students using school funds during travel. All meals purchased for students by faculty with school funds must be purchased as a group to provide for one invoice at the time the meal is purchased. Required documentation will be received by treasurer and 	Principal Business Manager Treasurer Athletic Business Manager

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL
Dr. Steve Gallon, III Principal
Action Plan for the 2003-2004 Audit Exceptions

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
	<p>review the guidelines for disbursing and documenting funds (February 22, 2005). A review of Section IV, Chapter 1 which addresses field trip procedures was also conducted.</p> <ul style="list-style-type: none"> The principal met with the activities director, selected club sponsor, and vendor regarding disbursements and reviewed procedures for making payments (February 17, 2005). The principal directed the treasurer to establish a log for all purchase orders and outstanding invoices and to ensure timely processing, payment, and monitoring. The log will include the name of the staff member initiating purchase, the name of the vendor, invoice number, amount due, due date, date of disbursement/mailing, and the check number (February 23, 2005). The log will be reviewed by both the principal and the business manager on a weekly 	<p>reviewed by the business manager and treasurer with the principal in a timely manner.</p> <ul style="list-style-type: none"> The principal will require that funds issued to the athletic business manager for change during athletic games be returned at the end of each week, using established check requisition procedures, at the beginning of the following week. 	

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL
Dr. Steve Gallon, III Principal
Action Plan for the 2003-2004 Audit Exceptions

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
4. Yearbook	<ul style="list-style-type: none"> • The principal met with the yearbook sponsor during the first several months of the school year to provide assistance and support. After observing noncompliance with procedures and timelines, the principal assigned a new yearbook sponsor in November. • The principal met with the yearbook sponsor appointed in November, along with the vendor, treasurer, assistant principal for activities, business manager, and the activities director to review status of yearbook and procedural compliance. • The principal met with the yearbook sponsor, the activities director, the business manager, and the treasurer to review the audit findings and the referenced Section IV, Chapter 6 of the new 	<ul style="list-style-type: none"> • The principal will meet with the yearbook advisor, the assistant principal for activities, activities director, and business manager to ensure that procedures are being followed. Issues and/or problems that arise will be addressed immediately to ensure compliance with established procedures and guidelines. • The principal directed the yearbook advisor to make no changes or addendum to the specifications outlined in the winning yearbook bid. • The principal, prior to submitting payment to yearbook vendor, will review the specifications outlined in the winning bid to ensure alignment with invoice. 	Principal Business Manager Treasurer Yearbook Advisor Activities Director

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL
Dr. Steve Gallon, III Principal
Action Plan for the 2003-2004 Audit Exceptions

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
	<p><u>Manual of Internal Accounting</u> which addressed yearbook procedures (February 23, 2005).</p> <ul style="list-style-type: none"> The principal scheduled a meeting with the yearbook advisor, business manager, activities director, assistant principal for student activities, and the yearbook vendor to review compliance with agreed yearbook specifications as outlined in the winning bid. The principal met with the yearbook advisor, business manager, activities director, assistant principal for student activities, and the treasurer to review the pricing and collection procedures for yearbook ads (February 23, 2005). 		
5. Fundraising Activities and Gradnite	<ul style="list-style-type: none"> The principal met with the activities director, business manager, and assistant principal for activities to review the audit findings (February 23, 2005). 	<ul style="list-style-type: none"> The principal, on an ongoing basis, will meet with the activities director to review the schedule of approved fundraising and activities. 	Principal Assistant Principal Business Manager Treasurer Activities Director Club Sponsor

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL
Dr. Steve Gallon, III Principal
Action Plan for the 2003-2004 Audit Exceptions

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
	<ul style="list-style-type: none"> • The principal reviewed sections 7-1 and 7-2 of the <u>Manual of Internal Accounting</u> and <u>Section IV, Chapter 2</u> of the new <u>Manual of Internal Accounting</u> with appropriate staff members (February, 2005). • The principal directed the business manager to account for, review for correctness and compliance, and file all Student Activity Operating Reports for the 2004-05 school year (February 22, 2005). • The principal directed the business manager to contact the Office of Internal Accounting for assistance and direction in issuing Gradnite 2004 refunds to students who have graduated from Miami Northwestern Senior High (February 22, 2005). • The principal met with the assistant principal for student activities, the activities director, the business manager, and the 	<ul style="list-style-type: none"> • The principal will establish new guidelines for the preparing, reviewing, and submitting Student Activity Operating Reports. These guidelines will require that all Student Activity Operating Reports be reviewed by the activities director, the assistant principal for activities, business manager, and treasurer, prior to being submitted to the principal for final review and signature. • The principal will meet with all appropriate staff, including club sponsors and coaches, to review procedures for fundraising activities on a quarterly basis. 	

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL
Dr. Steve Gallon, III Principal
Action Plan for the 2003-2004 Audit Exceptions

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
	<p>treasurer to review procedures for preparing, reviewing, and submitting applications for fundraising and Student Activity Reports (February 23, 2005). The principal also directed the Business Manager to account for, review, and properly file all Student Activity Operating Reports for the 2004-05 school year.</p>		
6. Athletic Ticket Inventory	<ul style="list-style-type: none"> The principal met with the athletic business manager and the athletic director to review the audit findings. The principal met with the athletic business manager and the athletic director to review Section III of the <u>Miami-Dade County Public Schools Interscholastic Athletic Manual</u> which addresses Financial and Ticket Sales Procedures. The principal directed the Athletic Business Manager to locate and produce the documentation 	<ul style="list-style-type: none"> The principal will review all procedures with the Athletic Director and the Athletic Business manager prior to opening of the athletic season. The principal will ensure that distinct ticket colors are used to distinguish between the prices of tickets for athletic events. 	Principal Business Manager Athletic Business Manager Treasurer

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL
Dr. Steve Gallon, III Principal
Action Plan for the 2003-2004 Audit Exceptions

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
7. Production Shops and Culinary Arts Program	<p>regarding the number of pre-sale tickets issued to this school for the Soul Bowl football game.</p> <ul style="list-style-type: none"> The principal met with the business manager and vocational teachers to discuss and review the audit findings. The principal suspended the operation of vocational/ production shop activities until a proper review of procedures was conducted and procedural control confirmed. The suspension did not preclude instruction and learning; however, it precluded the teachers from issuing work orders, engaging the public in business transactions, and collecting and/or disbursing funds. The principal met with the District Supervisor for Vocational Education to discuss and review concerns cited in the audit and to request assistance. A meeting for the teachers was scheduled for 	<ul style="list-style-type: none"> The principal will request additional training and ongoing assistance to vocational/ production teachers in the area of preparing and maintaining work orders and financial records. The principal will explore the utilization of donated vehicles, consistent with established and recommended district procedures, to provide for both hands-on learning and reduce/ eliminate business transactions which require work orders and financial transactions. The principal will request a district program review each semester to ensure that proper procedures are in place and program goals are being accomplished. The principal will, as a part a quarterly mini-audit of the internal 	Principal Business Manager Treasurer

MIAMI NORTHWESTERN SENIOR HIGH SCHOOL
Dr. Steve Gallon, III Principal
Action Plan for the 2003-2004 Audit Exceptions

AUDIT EXCEPTION(S)	AUDIT RESPONSES		PERSON(S) RESPONSIBLE
	IMMEDIATE CORRECTIVE ACTIONS	PREVENTATIVE MONITORING STRATEGIES	
	<p>and held on Wednesday, February 23, 2005.</p> <ul style="list-style-type: none"> The principal requested a review of work orders held on file by teachers. Teachers were directed to close out any outstanding work orders. The principal requested technical and technological resources and assistance from the District. 	<p>funds records and documentation to be conducted by staff from the</p> <ul style="list-style-type: none"> Office of Internal Funds, request a review of the vocational/production shops to ensure ongoing compliance and monitoring. 	

MIAMI CORAL PARK SENIOR HIGH SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL

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

Date School Established: 1963

Grades: 9-12

Principals: Ms. Doris Granberry (Through December 2003; presently at Bel-Aire Elementary School)
 Dr. Nicholas P. JacAngelo

Treasurer: Ms. Isabel Nuñez

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
Wachovia Bank, N. A.	--	0.10	\$ 15,618.40
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>225,584.41</u>
TOTAL			<u><u>\$241,202.81</u></u>

MIAMI CORAL PARK SENIOR HIGH SCHOOL (Continued)

AUDIT EXCEPTION

Free and Reduced Price Meals Program Verification

1. The 3.8% random sample of student applications selected for verification of a household's eligibility to participate in the free and reduced price meals program, as required by Federal Government guidelines, was comprised of 51 students. Our review of 15 of these applications disclosed that the verification section of the application was not completed and not signed by the principal or his administrative designee to indicate that the verification process had been completed. We recommend closer monitoring at the school to ensure compliance with the program guidelines, as stipulated in the Food and Nutrition Procedures Manual.

OTHER COMMENT

Internal Funds, Property, and Payroll

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 statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2003-04 fiscal year, 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.

ACCESS CENTER III
 SCHOOL - 7271 MIAMI CORAL PARK SENIO

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	27,021.60	96,730.88	130,473.84	33,056.65	26,335.29
MUSIC	900.16	1,155.90	607.64	.00	1,448.42
CLASSES AND CLUBS	67,109.34	373,328.72	380,962.31	7,376.81	66,852.56
TRUST	89,255.02	105,828.91	167,488.45	45,818.04	73,413.52
PROPERTY DEPOSITS	10,233.07	5,954.00	3,714.71	.00	12,472.36
SCHOOL STORE	855.90	.00	.00	.00	855.90
INSTRUCTIONAL AIDS	7,389.36	28,256.02	21,328.91	183.85-	14,132.62
GENERAL	49,451.74	141,037.75	70,019.10	86,067.65-	34,402.74
INSTRUCTIONAL MATE	12,594.41	44,452.43	45,757.44	.00	11,289.40
TOTAL	264,810.60	796,744.61	820,352.40	.00	241,202.81


CHECKING 15,618.40 INVESTMENTS .00 SBMMF 225,584.41 TOTAL 241,202.81
 ACCOUNTS PAYABLE .00

MIAMI CORAL PARK SENIOR HIGH SCHOOL

MEMORANDUM

February 22, 2005
MCPSHS/04-05#130

TO: Ms. Carol Cortes, Assistant Superintendent
Region Center III

FROM: Dr. Nick JacAngelo, Principal 
Miami Coral Park Senior High School

SUBJECT: **INTERNAL FUNDS AUDIT OF MIAMI CORAL PARK SENIOR HIGH SCHOOL, LOCATION NUMBER 7271**

The principal of Miami Coral Park Senior High School has thoroughly reviewed and discussed the audit finding with selected personnel at the school-site. The Miami-Dade County Public Schools *Food and Nutrition Procedures Manual* was used as a guide when addressing and implementing procedures which will correct the audit exception. A meeting was held with the assistant principal and the clerk who are assigned the responsibility of the Free and Reduced Priced Meals Program to review compliance procedures.

The principal will closely monitor the Free and Reduced Price Meals Program Verification to ensure compliance with the program guidelines as stipulated in the *Food and Nutrition Procedures Manual*. In addition, the principal will request assistance from the Food Service Coordinator assigned to this location to prevent future audit exceptions in the verification process of the Free and Reduced Price Meal Program.

AUDIT EXCEPTION

Free and Reduced Price Meals Program Verification

The following corrective actions were taken:

- On Tuesday, February 22, 2005, the principal held a conference with the assistant principal and school clerk responsible for the accurate monitoring of the "selected verification" process of a household's eligibility to participate in the Free and Reduced Price Meals Program, as required by Federal Government guidelines for Miami Coral Park Senior High School. The principal emphasized the importance of maintaining compliance with Food and Nutrition policies and procedures. Further, the principal reviewed in detail the required procedures to be followed for verifying free and reduced price meals to ensure compliance and to provide a copy of the Food and Nutrition procedures.

Audit Exception 2004-2005

Page 2

- The principal directed the assistant principal and the clerk to ensure that the verification section of the Free and Reduced Priced Meals Program lunch application is completed as per the guidelines. (February 2005)
- The principal directed the clerk to present all applications that were selected for verification to the assistant principal for a signature to signify that the verification process was completed. (February 2005)
- The principal directed the clerk and the assistant principal assigned to oversee the Free and Reduced Price Meals Program to carefully review every application that was selected for verification at the end of the verification process for completeness and accuracy before filing for audit. (February 2005)
- The principal directed the assistant principal to attend future District meetings provided by the M-DCPS Department of Food and Nutrition to ensure awareness of the latest policies and procedures. (February 2005)

The following preventative measures have been established at Miami Coral Park Senior High School and will be implemented by the school's principal:

- At the end of the verification process, the principal will review with the clerk and the assistant principal each application identified in the selected verification process to ensure that all information is complete and that the assistant principal has signed the applications. Errors or incomplete applications will be corrected immediately and filed for audit.
- The principal, during the verification process, will monitor the verification procedures to ensure that they are in compliance with the *Food and Nutrition Procedures Manual*. Discrepancies will be addressed immediately.

Should you have questions, please contact me at 305-226-6565.

NJ/cam

cc: Robert Kalinsky, Director

DESIGN AND ARCHITECTURE SENIOR HIGH SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL

Address: 4001 N.E. Second Avenue, Miami, Florida 33137

Date School Established: 1990

Grades: 9-12

Principal: Dr. Stacey Mancuso

Treasurer: Ms. Roberta Peurifoy

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
Eagle National Bank of Miami	--	0.10	\$ 6,759.08
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>48,528.86</u>
TOTAL			<u>\$ 55,287.94</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 statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2003-04 fiscal year, 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.

ACCESS CENTER III
 SCHOOL - 7081 DESIGN & ARCHITECTURE

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	492.79	819.00	1,174.00	80.00	217.79
CLASSES AND CLUBS	19,991.08	67,335.00	60,192.85	4,900.20	22,233.03
TRUST	14,610.38	19,482.87	27,775.19	3,786.15	10,104.21
INSTRUCTIONAL AIDS	3,381.37	18,046.00	18,756.51	.00	2,670.86
GENERAL	3,343.29	17,931.47	17,415.96	1,034.05	4,892.85
INSTRUCTIONAL MATE	10,500.19	61,504.14	56,835.13	.00	15,169.20
TOTAL	52,319.10	185,118.48	182,149.64	.00	55,287.94

CHECKING 6,759.08 INVESTMENTS .00 SBMMF 48,528.86 TOTAL 55,287.94
 ACCOUNTS PAYABLE .00

MIAMI CENTRAL SENIOR HIGH SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL*

Address: 1781 N. W. 95 Street, Miami, Florida 33147

Date School Established: 1959

Grades: 9-12

Principal: Mr. Samuel L. Johnson

Treasurer: Ms. Robin A. Collings

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
Wachovia Bank, N.A.	--	0.10	\$ 42,930.48
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>101,943.69</u>
TOTAL			<u><u>\$144,874.17</u></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 statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2003-04 fiscal year, 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 Improvement Zone School.

ACCESS CENTER III

SCHOOL - 7251 MIAMI CENTRAL SENIOR

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	4,436.19	80,736.87	91,975.60	7,715.94	913.40
MUSIC	2,213.51	27.00	.00	.00	2,240.51
CLASSES AND CLUBS	60,425.84	150,699.29	167,531.54	5,916.54	49,510.13
TRUST	57,643.51	119,902.53	115,723.35	13,037.56-	48,785.13
PROPERTY DEPOSITS	175.30	.00	.00	.00	175.30
INSTRUCTIONAL AIDS	12,380.54	5,129.00	5,148.95	77.00-	12,283.59
GENERAL	17,887.00	17,455.95	23,791.44	72.08	11,623.59
INSTRUCTIONAL MATE	9,982.76	39,279.21	35,060.52	.00	14,201.45
PRODUCTION/SERVICE	1,989.49	4,489.90	748.32	590.00-	5,141.07
TOTAL	167,134.14	417,719.75	439,979.72	.00	144,874.17

CHECKING 42,930.48 INVESTMENTS .00 SBMMF 101,943.69 TOTAL 144,874.17
 ACCOUNTS PAYABLE .00

MIAMI SPRINGS SENIOR HIGH SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL

Address: 751 Dove Avenue, Miami Springs, Florida 33166

Date School Established: 1964

Grades: 9-12

Principal: Mr. Douglas P. Rodriguez

Treasurers: Ms. Melinda Mizrachi (Through December 2003)
 Ms. Melba Alfonso

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
Commercial Bank of Florida	--	--	\$ 18,117.05
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>140,433.76</u>
TOTAL			<u><u>\$158,550.76</u></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 statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2003-04 fiscal year, 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.

ACCESS CENTER III

SCHOOL - 7511 MIAMI SPRINGS SENIOR

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	10,067.81	38,433.82	78,475.04	42,973.68	13,000.27
MUSIC	1,210.05	6,203.00	7,316.25	1,074.90	1,171.70
CLASSES AND CLUBS	67,812.32	374,852.26	398,864.99	30,872.95	74,672.54
TRUST	31,385.54	137,158.41	116,523.64	29,907.22-	22,113.09
PROPERTY DEPOSITS	7.17	.00	.00	.00	7.17
INSTRUCTIONAL AIDS	10,327.15	21,998.56	19,461.34	978.71-	11,885.66
GENERAL	23,946.27	65,891.86	25,558.07	44,035.60-	20,244.46
INSTRUCTIONAL MATE	9,619.43	157,946.50	152,330.85	.00	15,235.08
PRODUCTION/SERVICE	.00	626.00	405.21	.00	220.79
TOTAL	154,375.74	803,110.41	798,935.39	.00	158,550.76

CHECKING	18,117.05	INVESTMENTS	.00	SBMMF	140,433.71	TOTAL	158,550.76
			ACCOUNTS PAYABLE		.00		

BROWNSVILLE MIDDLE SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL*

Address: 4899 N. W. 24th Avenue, Miami, Florida 33142

Date School Established: 1959

Grades: 6-8

Principal During Audit Period: Mr. Orlando B. Milligan (Through August 2004; presently at Juvenile Justice Center)

Current Principal: Mr. Gulliermo A. Muñoz

Treasurers: Ms. Mercedes Pacheco (Through June 2004)
 Ms. Roshan Y. Bruce

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
Bank of America, N. A.	--	0.10	\$ 7,698.08
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>20,514.88</u>
TOTAL			<u><u>\$ 28,212.96</u></u>

AUDIT EXCEPTIONS

None

OTHER COMMENT

There were no significant audit exceptions noted in our review of the internal funds, procurement credit card, and property records; and there was general adherence to payroll procedures. In addition, there was compliance with the controls over the review and approval of the Authorized Applications for Employees by Locations Report. The financial statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2003-04 fiscal year, 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 Improvement Zone School.

ACCESS CENTER III
 SCHOOL - 6031 BROWNSVILLE MIDDLE SCH

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
MUSIC	9.00	690.00	656.00	734.89	777.89
CLASSES AND CLUBS	6,756.39	36,436.77	35,185.25	1,940.05-	6,067.86
TRUST	16,457.58	15,559.77	27,982.36	16.95	4,051.94
PROPERTY DEPOSITS	870.95	386.75	.00	757.70-	500.00
INSTRUCTIONAL AIDS	325.74	910.25	511.44	957.27	1,681.82
GENERAL	795.06	2,830.37	2,765.60	988.64	1,848.47
INSTRUCTIONAL MATE	7,261.70	22,828.18	16,804.90	.00	13,284.98
TOTAL	32,476.42	79,642.09	83,905.55	.00	28,212.96

CHECKING 7,698.08 INVESTMENTS .00 SBMMF 20,514.88 TOTAL 28,212.96
 ACCOUNTS PAYABLE .00

RUBÉN DARÍO MIDDLE SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL

Address: 350 N. W. 97 Avenue, Miami, Florida 33172

Date School Established: 1989

Grades: 6-8

Principals: Dr. Patricia A. Grimsley (Through August 2003; presently Business Director at Region Operational Centers)
 Mr. Edward R. Smith

Treasurer: Ms. Salvadora Rodriguez

Community School Assistant Principal: Ms. Rose Fernandez

After School Care Program Manager: Ms. Tania Ponce

Community School Secretary: Ms. Maritza Gonzalez

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
Eagle National Bank of Miami	--	--	\$ 9,466.05
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>47,883.17</u>
TOTAL			<u><u>\$ 57,349.23</u></u>

AUDIT EXCEPTIONS

None

OTHER COMMENT

There were no significant audit exceptions noted in our review of the internal funds and property records; and there was general adherence to payroll procedures. In addition, there was compliance with the controls over the review and approval of the Authorized Applications for Employees by Locations Report. The financial statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2003-04 fiscal year, 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.

ACCESS CENTER III
 SCHOOL - 6121 RUBEN DARIO MIDDLE SCH

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
MUSIC	1,005.20	1,693.00	1,814.49	.00	883.71
CLASSES AND CLUBS	19,854.56	26,564.06	30,296.35	980.00-	15,142.27
TRUST	9,143.97	56,202.11	59,346.96	1,984.26	7,983.38
PROPERTY DEPOSITS	2,934.05	130.00	1,605.45	.00	1,458.60
INSTRUCTIONAL AIDS	2,065.89	3,613.00	3,373.85	.00	2,305.04
GENERAL	19,433.68	7,448.23	4,134.11	2,593.27-	20,154.53
INSTRUCTIONAL MATE	15,000.00	25,447.23	31,521.43	.00	8,925.80
COMMUNITY SCHOOL	79.33	227,793.67	228,966.12	1,589.01	495.89
TOTAL	69,516.68	348,891.30	361,058.76	.00	57,349.22

CHECKING 9,466.05 INVESTMENTS .00 SBMMF 47,883.17 TOTAL 57,349.22
 ACCOUNTS PAYABLE .00

DORAL MIDDLE SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL

Address: 5005 N.W. 112 Avenue, Miami, Florida 33178

Date School Established: 2000

Grades: 6-8

Principal: Ms. Tatiana De Miranda

Treasurer: Ms. Maria E. Bonce

Community School Managers: Mr. Michael Pujol (Through June 2004)
 Mr. Gilbert Varela

Community School Secretaries: Mr. Gabriel Moran (Through June 2004)
 Ms. Leyden Rodriguez

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
Wachovia Bank, N.A.	--	0.10	\$ 10,849.38
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>10,061.61</u>
TOTAL			<u><u>\$ 20,910.99</u></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 statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2003-04 fiscal year, 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.

ACCESS CENTER III

SCHOOL - 6151 DORAL MIDDLE SCHOOL

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
MUSIC	135.00	510.00	405.00	.00	240.00
CLASSES AND CLUBS	696.28	.00	449.75	.00	246.53
TRUST	3,127.97	41,719.57	40,382.96	760.60	5,225.18
INSTRUCTIONAL AIDS	2,859.01	979.00	3,424.19	.00	413.82
GENERAL	2,857.56	4,513.42	5,174.26	760.60	1,436.12
INSTRUCTIONAL MATE	15,000.00	18,459.71	20,573.38	.00	12,886.33
COMMUNITY SCHOOL	530.67	65,233.00	65,300.66	.00	463.01
TOTAL	25,206.49	131,414.70	135,710.20	.00	20,910.99

CHECKING	10,849.38	INVESTMENTS	.00	SBMMF	10,061.61	TOTAL	20,910.99
			ACCOUNTS PAYABLE		.00		

CHARLES R. DREW MIDDLE SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL*

Address: 1801 N. W. 60 Street, Miami, Florida 33142

Date School Established: 1967

Grades: 6-8

Principal: Dr. Gwendolyn Coverson

Treasurer: Ms. Angela Chaney

Community School Assistant Principals: Mr. Victor Ferrante (Through October 2003)
 Mr. Clinton Neilly

Community School Secretaries: Ms. Amina Perry (Through October 2003)
 Ms. Barbara Dejoie

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
Wachovia Bank, N. A.	--	0.10	\$19,615.87
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>12,313.54</u>
TOTAL			<u><u>\$31,929.41</u></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 statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2003-04 fiscal year, 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 Improvement Zone School.

ACCESS CENTER III
 SCHOOL - 6141 CHARLES R. DREW MIDDLE

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
MUSIC	132.50	660.00	392.15	60.11-	340.24
CLASSES AND CLUBS	6,743.71	45,212.09	38,536.89	1,863.15-	11,555.76
TRUST	3,913.20	10,991.32	10,889.16	1,916.06	5,931.42
PROPERTY DEPOSITS	488.28	187.00	.00	271.45-	403.83
INSTRUCTIONAL AIDS	584.11	.00	.00	56.11-	528.00
GENERAL	494.05	5,215.36	3,951.11	29.06	1,787.36
INSTRUCTIONAL MATE	1,682.42	29,053.46	21,811.59	158.90	9,083.19
COMMUNITY SCHOOL	934.83	92,869.65	91,651.67	146.80	2,299.61
TOTAL	14,973.10	184,188.88	167,232.57	.00	31,929.41

CHECKING 19,615.87 INVESTMENTS .00 SBMMF 12,313.54 TOTAL 31,929.41
 ACCOUNTS PAYABLE .00

MADISON MIDDLE SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL*

Address: 3400 N. W. 87 Street, Miami, Florida 33147

Date School Established: 1955

Grades: 6-8

Principal: Ms. Anne-Marie Duboulay

Treasurer: Ms. Mary J. Thompkins

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
Wachovia Bank, N.A.	--	0.10	\$6,344.84
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>11,361.02</u>
TOTAL			<u><u>\$ 17,705.86</u></u>

AUDIT EXCEPTIONS

None

OTHER COMMENT

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 statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2003-04 fiscal year, 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 Improvement Zone School.

ACCESS CENTER III
 SCHOOL - 6391 MADISON MIDDLE SCHOOL

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
MUSIC	39.27	.00	.00	.00	39.27
CLASSES AND CLUBS	9,756.93	23,058.35	25,460.44	4,625.56-	2,729.28
TRUST	15,543.72	43,362.46	24,100.17	24,328.11-	10,477.90
PROPERTY DEPOSITS	130.15	471.67	.00	.00	601.82
INSTRUCTIONAL AIDS	2,749.69	645.00	1,099.95	.00	2,294.74
GENERAL	3,326.09	5,674.87	36,752.86	28,953.67	1,201.77
INSTRUCTIONAL MATE	3,513.94	20,586.84	23,739.70	.00	361.08
TOTAL	35,059.79	93,799.19	111,153.12	.00	17,705.86

CHECKING 6,344.84 INVESTMENTS .00 SBMMF 11,361.02 TOTAL 17,705.86
 ACCOUNTS PAYABLE .00

MIAMI SPRINGS MIDDLE SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL

Address: 150 South Royal Poinciana, Miami Springs, Florida 33166

Date School Established: 1955

Grades: 6-8

Principal: Dr. Gail Senita

Treasurers: Ms. Danelia Cespedes (Through August 2004)
 Ms. Barbara Wolff

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
Wachovia Bank, N. A.	--	0.10	\$27,736.79
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>35,787.36</u>
TOTAL			<u>\$63,524.15</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 statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2003-04 fiscal year, 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.

ACCESS CENTER III

SCHOOL - 6521 MIAMI SPRINGS MIDDLE S

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
MUSIC	817.06	4,492.90	4,147.23	.49-	1,162.24
CLASSES AND CLUBS	12,041.36	85,270.12	84,059.94	958.54-	12,293.00
TRUST	11,888.38	35,568.99	30,380.02	2,384.40	19,461.75
PROPERTY DEPOSITS	2,633.30	595.00	.00	.00	3,228.30
INSTRUCTIONAL AIDS	1,373.90	2,747.00	3,102.58	.00	1,018.32
GENERAL	12,335.26	21,881.53	19,905.89	1,425.37-	12,885.53
INSTRUCTIONAL MATE	9,750.34	19,551.76	15,827.09	.00	13,475.01
TOTAL	50,839.60	170,107.30	157,422.75	.00	63,524.15

CHECKING 27,736.79 INVESTMENTS .00 SBMMF 35,787.36 TOTAL 63,524.15
 ACCOUNTS PAYABLE .00

ROCKWAY MIDDLE SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL

Address: 9393 S. W. 29 Terrace, Miami, Florida 33165

Date School Established: 1959

Grades: 6-8

Principal: Ms. Maria D. Cedeño

Treasurers: Ms. Odette Palomo (Through June 2004)
 Ms. Marieta Revilla

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
SunTrust Bank	--	0.10	\$19,597.59
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>30,745.49</u>
TOTAL			<u><u>\$50,343.08</u></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 statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during 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.

ACCESS CENTER III

SCHOOL - 6821 ROCKWAY MIDDLE SCHOOL

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
MUSIC	3,228.27	29,949.00	23,354.40	1,523.28-	8,299.59
CLASSES AND CLUBS	13,976.53	101,562.18	92,703.41	2,104.45-	20,730.85
TRUST	9,090.99	32,607.31	40,445.73	2,939.29	4,191.86
PROPERTY DEPOSITS	2,525.74	510.00	2,284.45	.00	751.29
INSTRUCTIONAL AIDS	89.74	3,802.00	3,784.61	13.00-	94.13
GENERAL	6,517.38	14,332.87	16,201.15	697.44	5,346.54
INSTRUCTIONAL MATE	2,712.45	78,679.97	70,463.60	.00	10,928.82
TOTAL	38,141.10	261,443.33	249,237.35	4.00-	50,343.08

CHECKING 19,597.59 INVESTMENTS .00 SBMMF 30,745.49 TOTAL 50,343.08
 ACCOUNTS PAYABLE .00

WESTVIEW MIDDLE SCHOOL
 AUDIT REPORT
 FOR THE 2003-04 FISCAL YEAR
 JULY 1, 2003 THROUGH JUNE 30, 2004

PROFILE OF THE SCHOOL*

Address: 1901 N. W. 127 Street, Miami, Florida 33167

Date School Established: 1956

Grades: 6-8

Principal: Mr. Nicholas Emmanuel

Treasurer: Ms. Sharon Lovett

CASH AND/OR INVESTMENTS SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/04</u>
Checking Account:			
Kislak National Bank	--	0.25	\$ 16,225.14
Investment:			
MDCPS-Money Market Pool Fund	Open-end	1.86	<u>9,805.47</u>
TOTAL			<u>\$ 26,030.61</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 statement of the school presents fairly, in all material respects, the changes in funds balances arising from cash transactions during the 2003-04 fiscal year, 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 Improvement Zone School.

ACCESS CENTER III
 SCHOOL - 6981 WESTVIEW MIDDLE SCHOOL

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
MUSIC	580.36	.00	.00	.00	580.36
CLASSES AND CLUBS	5,257.46	14,445.20	14,522.36	345.69-	4,834.61
TRUST	6,765.72	22,690.69	23,973.55	814.51-	4,668.35
PROPERTY DEPOSITS	124.95	.00	.00	.00	124.95
INSTRUCTIONAL AIDS	1,127.28	.00	.00	.00	1,127.28
GENERAL	1,613.09	2,546.46	4,022.80	1,160.20	1,296.95
INSTRUCTIONAL MATE	11,955.00	11,751.30	10,308.19	.00	13,398.11
TOTAL	27,423.86	51,433.65	52,826.90	.00	26,030.61

CHECKING 16,225.14 INVESTMENTS .00 SBMMF 9,805.47 TOTAL 26,030.61
 ACCOUNTS PAYABLE .00

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