

**AUDIT OF
SECONDARY SCHOOLS
AND CENTERS
REGIONAL CENTER I**



JANUARY 2007



Miami-Dade County Public Schools

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

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

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**INTERNAL AUDIT REPORT
REGIONAL CENTER I SECONDARY SCHOOLS AND CENTERS**

JANUARY 2007

AUDIT COMMITTEE MEETING

JANUARY 30, 2007

SCHOOL BOARD MEETING

FEBRUARY 14, 2007

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

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Dr. Robert B. Ingram
Ana Rivas Logan
Dr. Marta Pérez
Dr. Solomon C. Stinson

January 19, 2007

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 12 secondary schools, four vocational/adult education centers, and two alternative education centers from Regional Center I. The audit period for this group of schools was the fiscal year ended June 30, 2006. The remaining two secondary schools from this Regional Center were previously published as result of a change of principal since the prior audit.

The audits included a review of internal funds, property, and payroll records. We reviewed the Community School Program records at those schools having the program, which is accounted through the internal funds. We also reviewed the Purchasing Credit Card Program and the most current "Authorized Applications for Employees by Locations Report" at selected schools. Property inventory results, as well as an analysis of property losses missing through the Plant Security Report process are included herein.

Our audits disclosed that 17 of the 18 schools in this report were in compliance with all prescribed policies and procedures and their internal funds and payroll records were maintained in good order. At one school, we uncovered a payroll fraud, which culminated with the resignation of the payroll clerk and her prosecution by the State Attorney's Office. The forensic audit work leading to the resolution of this matter was coordinated by our office's Director of Investigations and Compliance Audits. Our review of the Purchasing Credit Card Program and the "Authorized Applications for Employees by Locations Report" disclosed that procedures were generally followed at the schools where such reviews were performed. The physical inventory results showed that most schools were in compliance with property procedures; and the principal whose school showed the most significant losses in the Plant Security Report analysis provided a written response delineating the corrective action taken at this school to prevent future property losses.

The audit findings noted in this report were discussed with the appropriate Regional Center I and District staffs and the principals, whose written responses are included in this report and with which we concur. This report will be presented to the Audit Committee at its January 30, 2007 meeting and to the School Board at its February 14, 2007 meeting.

Sincerely,

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

AMV:mtg

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I. INTRODUCTORY SECTION

EXECUTIVE SUMMARY

The Office of Management and Compliance Audits has completed the audits of 12 secondary schools, four vocational/adult education centers, and two alternative education centers from Regional Center I. The audit period for this group of schools was the fiscal year ended June 30, 2006. The audits of the two Regional Center I secondary schools not included herein were: Lawton Chiles Middle and José Martí Middle. Those audits were previously published as result of a change of principal at the school since the prior audit.

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 Purchasing Credit Card Program at seven schools; and (5) review of the "Authorized Applications for Employees by Locations Report" at seven schools.

Financial Statements and Control over Financial Reporting

The financial statements in this audit report present fairly, in all material respects, the changes in fund balances arising from cash transactions of the schools during the 2005-06 fiscal year, on the cash basis of accounting. Additionally, as of June 30, 2006, the internal controls at the schools in this report generally functioned as designed by the District administration and implemented by the schools.

Summary of Audit Findings

Payroll

- o At Palm Springs Middle, we conducted an investigation at the request of the Payroll Department, which disclosed that the former payroll clerk intentionally misreported hours for a fictitious employee to unlawfully obtain and cash several of the employee's payroll checks. The former clerk confessed to the wrongdoing and was charged with grand theft; and the State Attorney's office ordered her to perform community service and make restitution of the stolen funds to M-DCPS. Our review of the payroll did not find any other such instances of fictitious employees; however, we found that employees were not being promptly deleted from the payroll system upon termination of their employment, and payroll distribution procedures were not being followed. We also found that the former clerk was paid for overtime supposedly worked at the school; however, payroll records did not reflect all hours paid, as well as some of the leave that she apparently took but failed to report. Although the specific payroll deficiencies reported for this school during the 2002-03 and 2003-04 fiscal years had been corrected for the most part during this and the prior year's payroll audit, other payroll deficiencies were evident during this audit (Pages 14-17). The administration concurred with our findings. See responses from senior management on pages 12-13; and responses from the principal on pages 18-20.
- **We recommend that Regional Center I and District offices closely monitor the school's adherence to the procedures in the Payroll Processing Procedures Manual to prevent recurrence of these findings.**

Internal Funds

- o The internal funds records were maintained in good order and in accordance with prescribed policies and procedures at all 18 schools in this report (See Schedule on page 8).

Property

- o Physical inventories of property items with an individual cost of \$1,000 or more were conducted at all 18 schools in this report, as well as two other schools whose property audits were pending at the time their audits were published: Lawton Chiles Middle and José Martí Middle schools. Results from the schools included herein indicated that all but one school complied with property procedures and items with a cost of \$1,000 or more were accounted for. At that particular school, one item at a cost of \$1,369 and a depreciated value of \$616 could not be accounted for. Approximately \$25.3 million was inventoried at this group of schools (Page 9).
- o Property losses reported through the Plant Security Report process showed 47 items at a cost of \$89,411 and a depreciated value of \$22,361 reported missing at nine of the schools included in this report (Page 10). Regarding these losses, the principal at Barbara Goleman Senior High School provided a written response delineating the initiatives taken at his school to improve controls over the management of property and prevent the recurrence of future losses (Page 11). Senior management concurred with these initiatives (Pages 12 and 13).

Purchasing Credit Card Program

- o A review of the Purchasing Credit Card Program's records and procedures at seven schools disclosed that there was general compliance with the Purchasing Credit Card Program Policies & Procedures Manual.

Data Security Quarterly Management Report And Approval Review

- o Our review of the "Authorized Applications for Employees by Locations Report" at seven 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 Regional Center I, School Improvement, and District staffs for supporting the schools' efforts to strive for excellence in these areas.**

BACKGROUND

The Office of Management and Compliance Audits has performed the audits of 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 an annual audit of internal funds.

Internal funds are monies collected and expended within a school which are used for financing activities not otherwise financed by the School Board. 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.

Prior to spending internal funds some schools invest their cash in designated depositories, while others invested them in the MDCPS-Money Market Pool Fund. The Fund's interest rate as of June 30, 2006 was 4.76%.

The principal of each individual school, and his/her staff, are primarily responsible for performing the actual internal accounting functions in accordance with the Manual of Internal Fund Accounting and maintaining adequate internal controls. The financial statements are similarly the responsibility of management and were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

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

Property

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

Payroll

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

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

Purchasing Credit Card (P-Card) Program

At the schools, the principal administers the credit card program, which must comply with the guidelines established in the Purchasing Credit Card Program Policies & Procedures Manual.

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

Data Security Quarterly Management Report and Approval Review

Principals are responsible to ensure that only authorized school staff has access to designated computer applications. Information Technology Services (ITS) produces a quarterly report for each school location titled "Authorized Applications for Employees by Locations Report". Principals are responsible for reviewing this quarterly report to determine the appropriateness of computer applications approved for each school employee, as to whether they are required for his or her assigned duties; and to ensure that access to the computer application that allows for changes to students' academic grades is limited to a specific and restricted number of authorized personnel at their schools.

SUPERINTENDENT OF SCHOOLS
Dr. Rudolph F. Crew

ASSOCIATE SUPERINTENDENT
SCHOOL OPERATIONS
Mr. Freddie Woodson

REGIONAL SUPERINTENDENT
REGIONAL CENTER I
Dr. Marcos M. Moran

REGIONAL CENTER I BUSINESS DIRECTOR Mr. Jose L. Dotres	
<u>School</u>	<u>Principal</u>
MIDDLE SCHOOLS	
Palm Springs Middle	Ms. Melissa C. Wolin
Carol City Middle	Mr. Nelson Izquierdo
Henry H. Filer Middle	Mr. Luis E. Diaz
Hialeah Middle	Ms. Martha Montiel
Lake Stevens Middle	Dr. Derick R. McKoy
Miami Lakes Middle	Mr. Joaquin P. Hernandez
North Dade Middle	Ms. Eunice J. Davis
SENIOR HIGH SCHOOLS	
American Senior	Dr. Louis J. Algaze
Barbara Goleman Senior	Mr. Carlos Artime
Hialeah Senior	Mr. Lorenzo Ladaga
Hialeah-Miami Lakes Senior*	Ms. Karen Robinson
Miami Carol City Senior	Ms. Kim W. Cox
ADULT/VOC. EDUCATION CENTERS	
American Adult Education Center	Mr. Alan J. Bashaw
Hialeah Adult Education Center	Mr. James E. Bishop
Hialeah-Miami Lakes Adult Ed. Center	Dr. Nilda J. Diaz
Miami Lakes Educational Center	Mr. James V. Parker
ALTERNATIVE EDUCATION CENTERS	
Miami-MacArthur North Senior	Mr. Marion L. Rogers
Jan Mann Opportunity School	Ms. Deborah Carter

* This school has been identified as a School Improvement Zone (SIZ) School. Effective January 8, 2007, audit matters of SIZ schools are under the direct supervision of School Improvement Zone Operations.

OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with the Audit Plan for the 2006-07 Fiscal Year, the Office of Management and Compliance Audits has audited the financial statements for the fiscal year ended June 30, 2006 of the schools listed in the Table of Contents section of this report.

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 Fund 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 Fund Accounting;
- provide assurances to the administration regarding compliance with current payroll procedures, as well as compliance with the current purchasing credit card programs procedures; and that certain information technology controls are in place.

In addition to the audit of internal funds we performed the following:

- An inventory of **all** property items with an individual value of \$1,000 or more was taken at the schools to verify compliance with the Manual of Property Control Procedures.
- A review of selected payroll procedures **currently in effect** 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.
- A review of the purchasing credit card program records and procedures **currently in effect** was made at **selected** schools to determine compliance with the Purchasing Credit Card Program Policies & Procedures Manual.
- A review of Information Technology Services (ITS) "Authorized Applications for Employees by Locations Report" 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.

We conducted our audits in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. We planned and performed the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. We examined, 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. The results of our property audits reported herein were in all material respects similarly conducted in accordance with the generally accepted government auditing standards, with the exception of the continuing professional education requirement not followed by our property auditors.

Internal Controls

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 ascertained what control policies and procedures were placed in operation by the school(s) administration concerning the reliability of financial reporting, especially those relevant to cash receipts and disbursements and the safeguarding of assets as of June 30, 2006.

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 Fund Accounting, which contains the procedures established to control the use of the internal funds. The internal control environment at the schools is generally characterized by a lack of segregation of incompatible accounting duties, which are typically performed by the bookkeeper/treasurer including 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. We appropriately respond to these risks through the level of audit testing performed for each of the aforementioned categories. To the extent that grants and donations were received, we performed such tests as deemed appropriate in the circumstances to ensure that internal controls over financial reporting were adequate.

Reportable conditions are covered in the individual audit report of the school where the conditions were noted, as well as summarized in the **Summary of Audit Findings section within the Executive Summary** of this report. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

SCHEDULE OF AUDIT FINDINGS

**REGIONAL CENTER I SECONDARY SCHOOLS AND CENTERS
SUMMARY SCHEDULE OF AUDIT FINDINGS BY SCHOOL**

Work Location No.	School	Page No.	CURRENT YEAR AUDIT FINDINGS		PRIOR YEAR AUDIT FINDINGS	
			Total per School	AREA OF FINDINGS	Total per School	AREA OF FINDINGS
<u>MIDDLE SCHOOLS</u>						
6681	Palm Springs Middle ⁽¹⁾⁽²⁾	14	2	• Payroll	None	
6051	Carol City Middle	21	None		None	
6161	Lawton Chiles Middle ⁽³⁾	--	--		--	
6171	Henry H. Filer Middle	23	None		None	
6231	Hialeah Middle	25	None		None	
6351	Lake Stevens Middle ⁽¹⁾	27	None		None	
6421	José Martí Middle ⁽⁴⁾	--	--		--	
6501	Miami Lakes Middle ⁽¹⁾	29	None		None	
6591	North Dade Middle ⁽¹⁾	31	None		None	
<u>SENIOR HIGH SCHOOLS</u>						
7011	American Senior ⁽²⁾	33	None		None	
7751	Barbara Goleman Senior ⁽²⁾⁽⁵⁾	35	None		None	
7111	Hialeah Senior ⁽¹⁾⁽²⁾	37	None		None	
7131	Hialeah-Miami Lakes Senior ⁽²⁾⁽⁶⁾	39	None		None	
7231	Miami Carol City Senior ⁽¹⁾⁽²⁾	41	None		2	• Fin. Mgt. • Prod. Shops
<u>VOCATIONAL/ADULT EDUCATION CENTERS</u>						
7012	American Adult Education Center	43	None		None	
7112	Hialeah Adult Education Center	45	None		None	
7132	Hialeah-Miami Lakes Ad. Ed. Ctr.	47	None		None	
7391/8901	Miami Lakes Educational Center ⁽¹⁾⁽⁷⁾	49	None		None	
<u>ALTERNATIVE EDUCATION CENTERS</u>						
7254	Miami-MacArthur North Senior	54	None		None	
8101	Jan Mann Opportunity School ⁽²⁾	56	None		None	
	Total		2		2	

Notes:

- (1) Purchasing Credit Card Program records and procedures reviewed at this school (7 schools).
- (2) "Authorized Applications for Employees by Locations" Report reviewed at this school (7 schools).
- (3) Audit report previously published in September 2006 as a result of a change of principal since prior audit (1 school).
- (4) Audit report previously published in December 2006 as a result of a change of principal since prior audit (1 school).
- (5) Written response from principal regarding Plant Security Report losses (1 school).
- (6) School Improvement Zone School (1 school).
- (7) Combined audit of senior high school and adult/vocational education center (1 school).

PROPERTY SCHEDULES

**REGIONAL CENTER I SECONDARY SCHOOLS AND CENTERS
CURRENT PROPERTY INVENTORY RESULTS
(COMPARATIVE PROPERTY INVENTORY RESULTS)**

WORK LOCATION NO.	SCHOOLS/CENTERS	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. of Unloc. Items	Dollar Value
				No. of items	At Cost	At Deprec. Value		
MIDDLE SCHOOLS								
6681	Palm Springs Middle	415	\$ 812,160	None			None	
6051	Carol City Middle	244	493,517	None			None	
6161	Lawton Chiles Middle ⁽¹⁾	731	1,091,494	None			None	
6171	Henry H. Filer Middle	292	625,713	None			None	
6231	Hialeah Middle	466	907,419	None			None	
6351	Lake Stevens Middle	300	554,997	None			None	
6421	Jose Marti Middle ⁽²⁾	410	975,384	None			None	
6501	Miami Lakes Middle	381	616,530	None			4	\$ 5,847
6591	North Dade Middle	323	651,754	None			None	
SENIOR HIGH SCHOOLS								
7011	American Senior	867	1,760,367	None			None	
7751	Barbara Goleman Senior	1,075	2,180,635	None			None	
7111	Hialeah Senior	1,364	3,175,607	None			None	
7131	Hialeah-Miami Lakes Senior	724	1,622,667	None			None	
7231	Miami Carol City Senior	968	1,985,236	None			None	
ADULT/VOCATIONAL EDUCATION CENTERS								
7012	American Adult Ed. Center	132	257,694	None			None	
7112	Hialeah Adult Ed. Center	126	285,023	None			None	
7132	Hialeah-Miami Lakes Adult Ed. Ctr.	52	126,711	None			None	
7391/8901	Miami Lakes Ed. Ctr. (H.S. & Adult)	1,968	6,273,683	None			None	
ALTERNATIVE EDUCATION CENTERS								
7254	Miami-MacArthur No. Senior	265	633,071	None			None	
8101	Jan Mann Opportunity School	153	297,581	1	\$ 1,369	\$ 616	None	
	TOTAL	11,256	\$ 25,327,243	1	\$ 1,369	\$ 616	4	\$ 5,847

Notes:

- (1) Audit report previously published in September 2006 as result of a change of principal since the prior audit.
- (2) Audit report previously published in December 2006 as result of a change of principal since the prior audit.

**REGIONAL CENTER I SECONDARY SCHOOLS AND CENTERS
ANALYSIS OF PROPERTY LOSSES PER PLANT SECURITY REPORTS
SINCE PRIOR PHYSICAL INVENTORY**

Work Location No.	Schools	No. of Plant Security	Total Items	Total Amount at Cost	CATEGORY (AT COST)			Total Depreciated Value
					Audio Visual	Computers	Other	
MIDDLE SCHOOLS								
6231	Hialeah Middle	1	1	\$ 1,255	-	\$ 1,255	-	-
6501	Miami Lakes Middle	1	1	1,650	-	1,650	-	\$ 486
6591	North Dade Middle	1	1	8,248	\$ 8,248	-	-	2,612
SENIOR HIGH SCHOOLS								
7751	Barbara Goleman Senior ⁽¹⁾	4	27	45,723	1,980	28,763	\$ 14,980	3,586
7111	Hialeah Senior	1	2	3,345	1,750	1,595		1,037
7131	Hialeah-Miami Lakes Sr.	2	3	10,844	7,995	1,099	1,750	7,273
7231	Miami Carol City Senior	2	9	12,599	2,199	10,400	-	2,880
ADULT/VOCATIONAL EDUCATION CENTER								
7391	Miami Lakes Ed. Ctr.	1	2	2,848	-	2,848	-	1,910
ALTERNATIVE EDUCATION CENTER								
7254	Miami-MacArthur No. Sr.	1	1	2,899	-	-	2,899	2,577
	TOTAL	14	47	\$89,411	\$ 22,172	\$ 47,610	\$ 19,629	\$ 22,361

Notes:


(1) See written response from principal regarding Plant Security losses on page 11.

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

MEMORANDUM

January 11, 2007

TO: Dr. Marcos M. Moran, Regional Superintendent
Regional Center I

FROM: Carlos Artime, Principal 
Barbara Goleman Senior High

SUBJECT: PROPERTY LOSSES PER PLANT SECURITY REPORTS

An analysis of property losses during the current Physical Inventory Audit period for the 2006 – 2007 school year revealed a loss of 27 property controlled items at an assessed value of \$45,723 (depreciated value of \$3,586). The items included old and outdated printers, computers, switches and hubs. The Plant Security Reports documenting these losses included: #257315; #257316; #254705; #254723. The loss of these items was related to a fire of unknown cause, stolen property and items noticed missing when conducting a quarterly property audit inventory

Barbara Goleman Senior High School is taking the following actions in order to prevent future losses:

Immediate Corrective Actions

I have directed my administrative staff to review the procedures for removing property controlled items from the school building, with their departments. In addition, we have created an in-house property control movement form for items moved within the building.

Preventive Strategies

I have directed my head custodian to find a secure location to store property controlled items while waiting for Storage and Distribution to pick them up. We are purchasing a hand held scanner to track property controlled items within the school. We will continue to conduct in-house property audits on a quarterly basis.

Please feel free to contact me if you have any questions or require any additional information at (305) 362-8401.

cc: Mr. Jose L. Dotres

RESPONSES FROM SENIOR MANAGEMENT

MEMORANDUM

January 12, 2007

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

FROM: Freddie Woodson, Associate Superintendent
School Operations

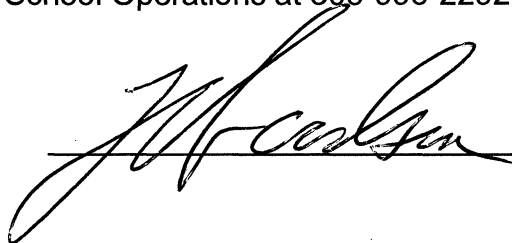
SUBJECT: REGIONAL CENTER I SECONDARY SCHOOLS' AUDIT RESPONSES

Please find attached the responses to the school and property audits conducted for the following schools in Regional Center I:

- Palm Springs Middle School (Payroll)
- Barbara Goleman Senior high School (Property)

School Operations concur with the Regional Superintendent's plan to assist the concerned personnel at the aforementioned schools. We will continue the practice of monitoring the on-going actions of the administrators at each location to prevent and eliminate future audit exceptions relating to internal funds and property management.

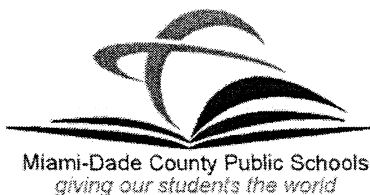
Should you have any questions or concerns please contact me at 305-995-4242 or Ms. Cynthia Gracia, Administrative Director, School Operations at 305-995-2292.

 FW

FW/CG:msh
M#225

Attachments

cc: Dr. Marcos Moran
Mr. Jose Montes de Oca
Ms. Cynthia Gracia
Ms. Maria T. González



MEMORANDUM

January 11, 2007
MMM#037/2006-07

TO: Mr. Freddie Woodson, Associate Superintendent
School Operations

FROM: Marcos M. Moran, Regional Superintendent
Regional Center I

SUBJECT: RESPONSE TO INTERNAL FUNDS AND PROPERTY AUDITS – REGION I
SCHOOLS

Please find attached the responses to the school audits conducted during the 2006-2007 fiscal year for the following schools:

Palm Springs Middle School (Payroll)
Barbara Goleman Senior High School (Plant Security Report)

Regional Center I has reviewed the responses. The following support activities will be implemented at the Regional level, in addition to the corrective measures indicated on the response plan for each school:

- The principals will be required to address specific fiscal and property management job targets on the Performance Planning and Assessment System Planning Form and provide progress points and evidence of progress (Palm Springs Middle and Barbara Goleman Senior High School).
- The principal will conduct mini audit reviews each semester for internal funds and payroll procedures and report results to the Region on a semester basis (Palm Springs Middle School).
- The Regional Center I Business/Personnel Administrative Director will provide additional support and assistance in the selected areas of payroll procedures. A mentor principal, and a payroll clerk, will be assigned to affected personnel (Palm Springs Middle School).
- A Professional Improvement Plan will be developed for the principal targeting Business Management Payroll practices needing improvement (Palm Springs Middle School).
- The Regional Center Business Director will work individually with the principal to ensure close monitoring of all controlled property and to promote efficient property management (Barbara Goleman Senior High School).

If you need additional information, please contact me at 305-687-6565. Thank you for your continued support and assistance.

AR/mvo

Attachment

cc: Ms. Cynthia Gracia
Mr. Jose Dotres

II. INDIVIDUAL AUDIT REPORTS

MIDDLE SCHOOLS

PALM SPRINGS MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL

Address: 1025 West 56 Street, Hialeah, Florida 33012

Date School Established: 1957

Grades: 6-8

Principal: Ms. Melissa C. Wolin

Treasurer: Ms. Gisela C. Colon

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Wachovia Bank, N. A.	--	1.37	\$37,242.25
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>29,071.32</u>
TOTAL			<u>\$66,313.57</u>

PALM SPRINGS MIDDLE SCHOOL (Continued)

Internal Funds, Purchasing Credit Card, Property, and Data Security

The internal funds, purchasing credit card, and property records were properly maintained and equipment items with an individual cost of \$1,000 and over were accounted for. In addition, controls over the review and approval of the Authorized Applications for Employees by Locations Report were complied with. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

The following discrepancies were found in the area of payroll:

Payroll

1. At the request of the Payroll Department, we conducted an investigation, which disclosed that, between December 2004 and February 2005, six payroll checks were issued to an individual for hours reportedly worked at Palm Springs Middle. Our investigation disclosed that the payroll clerk misappropriated the checks, and fraudulently cashed four of them for a net pay of \$1,156. The clerk admitted to the misappropriation in writing and ultimately resigned from M-DCPS. She was charged with grand theft; and as part of the agreement with the State Attorney's Office, was ordered to perform 50 hours of community service and make restitution of \$1,156 to M-DCPS.
2. As result of our payroll findings, we extended our review to payrolls processed by the former payroll clerk, as well as current payrolls, to determine whether similar instances of fictitious employees had occurred. Our review did not disclose any such instances; however it disclosed the following discrepancies:
 - a. Several employees were not deleted from the payroll system immediately upon termination of their employment. We found a specific instance where a check for holiday pay was issued to an employee who was no longer employed by M-DCPS. The school returned the check to the Office of Treasury Management at our request.
 - b. Employees are required to sign the "Payroll Checks/Advices Control

PALM SPRINGS MIDDLE SCHOOL (Continued)

Report” to acknowledge receipt of their check upon distribution of the payroll. Our review disclosed many instances where employees who received payroll checks had failed to sign the form. We performed additional tests to selectively verify their employment status.

- c. Between July 2004 and April 2005, the former payroll clerk received \$2,104 for 101 hours of overtime; but only 48 hours were documented on the Daily Payroll Attendance Sheets. According to the principal, the former payroll clerk did not work any overtime hours and was not approved for such time. Notwithstanding, the payroll automated system reflected that the principal approved these overtime payrolls on-line.
- d. In one of the payrolls reviewed, the Daily Payroll Attendance Sheet, working roster, and supporting leave cards reflect that the former payroll clerk took three days of vacation leave; however, only two days were reported on the Final Roster. This incident was similar to a condition reported in a previous audit report.

The Payroll Processing Procedures Manual establishes the procedures to properly process and document the payroll. We recommend compliance with these procedures. We further recommend that the school administration review and strengthen the controls over the payroll function. While payroll exceptions reported for this school during the 2002-03 and 2003-04 fiscal years were mostly corrected, deficiencies are still evident.

AS OF: 06/30/06 M I A M I - D A D E C O U N T Y P U B L I C S C H O O L S RUN DATE: 07/01/06
 PRODUCT NO. T22160601 SCHOOL INTERNAL FUNDS - ANNUAL FINANCIAL REPORT PAGE NO. 15

ACCESS CENTER I
 SCHOOL - 6681 PALM SPRINGS MIDDLE SC

FUNDS -----	BEGINNING BALANCE -----	RECEIPTS -----	DISBURSE- MENT -----	NET TRANSFER -----	ENDING BALANCE -----
ATHLETICS	.00	20.00	840.00	820.00	.00
MUSIC	1,724.98	1,757.00	1,895.30	155.00-	1,431.68
CLASSES AND CLUBS	28,062.25	76,437.70	64,978.74	9,900.01-	29,621.20
TRUST	2,095.33	37,602.73	46,618.81	7,818.16	897.41
PROPERTY DEPOSITS	852.34	1,200.00	1,281.64	375.00-	395.70
INSTRUCTIONAL AIDS	2,533.19	2,421.00	1,016.72	.00	3,937.47
GENERAL	11,314.87	18,647.88	13,724.49	1,791.85	18,030.11
INSTRUCTIONAL MATE	10,865.35	14,897.74	13,763.09	.00	12,000.00
TOTAL	57,448.31	152,984.05	144,118.79	.00	66,313.57

CHECKING	37,242.25	INVESTMENTS	.00	SBMMF	29,071.32	TOTAL	66,313.57
		ACCOUNTS PAYABLE	.00		.00		

MEMORANDUM

December 18, 2006

TO: Dr. Marcos M. Moran, Assistant Superintendent
Regional Center I

FROM: Melissa C. Wolin, Principal 
Palm Springs Middle School

SUBJECT: **RESPONSE TO INTERNAL FUNDS AUDIT OF PALM SPRINGS
MIDDLE SCHOOL FOR THE 2005-2006 SCHOOL YEAR**

The principal has thoroughly reviewed and discussed the internal audit findings pertaining to payroll with the assistant principals, principal's secretary, and clerical staff. A meeting was held on December 18, 2006, with all pertinent staff to review the Payroll Processing Procedures Manual and school site payroll procedures.

The principal has implemented corrective and preventive strategies to avoid the recurrence of similar conditions in future audits. The following corrective actions were taken to prevent recurrence of conditions cited in this audit:

- All hourly and fulltime payrolls were reviewed and certified to ensure that there are no personnel claiming hours/or days that are no longer working at the school site.
- On December 18, 2006, the payroll clerk, principal's secretary and assistant principals were advised to terminate, immediately, any individuals who are not currently working at the school site. The principal directed the staff to continuously monitor this area to ensure that the payroll reflects active employees.
- Requirements for proper completion of the "Payroll Checks/Advices Control Report" were reviewed in detail with the distribution clerk. Emphasis was placed on securing the appropriate signature and distributing checks only to the owner of the checks. In addition, a total count of checks received for distribution and a count of checks distributed will be verified by the principal's secretary and maintained by the distribution clerk.
- The "Payroll Checks/Advices Control Report" will be maintained in a secure location. By the next scheduled pay date, any unclaimed checks will be returned to the Treasury Department as per payroll procedures.
- A memorandum to staff was reissued on December 21, 2006, regarding "Approval for Hourly or Overtime Employment."

- On December 18, 2006, the principal directed the payroll clerk to enter only the days that employees have signed in on the Daily Payroll Attendance Sheets. If an employee had not signed in, the employee was not credited for work on that day.
- The principal directed the payroll clerk to complete employee leave cards on a daily basis and indicate the reason for the absence as reflected on the Daily Payroll Attendance Sheets.

The following preventive strategies will be implemented to avoid payroll exceptions in the future:

- After the distribution of payroll, the "Payroll Checks/Advices Control Report" will be reviewed to ensure that proper procedures are being followed.
- The designated assistant principal and the principal's secretary will verify that Daily Payroll Attendance Sheets and supporting leave cards match the working roster. A check mark at the end of each column on the payroll sheet will be used to confirm that the three sources of verification are aligned, prior to final approval. Final payroll rosters will not be printed until the working roster is stamped as verified by the designated assistant principal.
- As an added measure of control, final printed rosters will be compared to the working roster and reviewed by the designated assistant principal prior to the final on-line approval by the principal.
- As an added measure of verification, write-in transactions will be monitored by the principal via the write-in transaction report. The principal will sign the report to confirm the accuracy of all transactions.
- The approval of overtime will be documented through the use of the "Approval for Hourly or Overtime Employment" form. All overtime must receive the prior approval of the principal. Hours appearing on the time sheet and final roster must match the approved hours on the overtime approval forms.
- The principal will periodically review the overtime payroll to ensure that it is properly documented and discuss any discrepancies with the designated assistant principal responsible for conducting the review of overtime. Any discrepancies will be corrected immediately.

- The principal will periodically monitor the staff roster and payroll records to ensure that these documents reflect active employees and any discrepancies will be corrected immediately.

Should you have any questions, concerns or comments, please contact me at 305 822-6621.

cc: Ms. Cynthia Gracia
Mr. Jose L. Dotres

CAROL CITY MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL

Address: 3737 N. W. 188 Street, Miami, Florida 33055

Date School Established: 1959

Grades: 6-8

Principals: Dr. Mark Soffian (Through November 2006; presently at Miami
Norland Senior High School)
Mr. Nelson Izquierdo

Treasurers: Ms. Sandra Hawkins (Through August 2005)
Ms. Lynnda F. Guillen (Through September 2006)
Ms. Sheree Jackson

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Wachovia Bank, N. A.	--	3.21	\$ 16,785.61
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>9,479.96</u>
TOTAL			<u><u>\$ 26,265.57</u></u>

AUDIT OPINION

The internal funds and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

AS OF: 06/30/06 M I A M I - D A D E C O U N T Y P U B L I C S C H O O L S RUN DATE: 07/01/06
 PRODUCT NO. T22160601 SCHOOL INTERNAL FUNDS - ANNUAL FINANCIAL REPORT PAGE NO. 7

ACCESS CENTER I
 SCHOOL - 6051 CAROL CITY MIDDLE SCHO

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	.00	20.00	400.00	380.00	.00
MUSIC	1,607.78	426.00	1,319.00	.00	714.78
CLASSES AND CLUBS	1,840.81	15,603.59	8,668.81	4,006.88-	4,768.71
TRUST	3,466.23	42,073.62	46,326.33	5,688.12	4,901.64
PROPERTY DEPOSITS	36.93	.00	.00	.00	36.93
INSTRUCTIONAL AIDS	836.10	1,430.00	1,075.15	81.14	1,272.09
GENERAL	913.60	8,551.94	2,751.74	2,142.38-	4,571.42
INSTRUCTIONAL MATE	4,069.73	32,259.53	26,329.26	.00	10,000.00
TOTAL	12,771.18	100,364.68	86,870.29	.00	26,265.57

CHECKING	16,785.61	INVESTMENTS	.00	SBMMF	9,479.96	TOTAL	26,265.57
		ACCOUNTS PAYABLE	.00		.00		

HENRY H. FILER MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL

Address: 531 W. 29 Street, Hialeah, Florida 33012

Date School Established: 1956

Grades: 6-8

Principal: Mr. Luis E. Diaz

Treasurer: Ms. Yamilee Diaz

Community School Assistant Principal: Mr. Cesar Rivero

Community School Secretary: Ms. Jeanette Sanchez

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Bank of America, N. A.	--	0.10	\$12,551.66
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>20,583.16</u>
TOTAL			<u><u>\$ 33,134.82</u></u>

AUDIT OPINION

The internal funds and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

ACCESS CENTER I

SCHOOL - 6171 HENRY H. FILER MIDDLE

FUNDS -----	BEGINNING BALANCE -----	RECEIPTS -----	DISBURSE- MENT -----	NET TRANSFER -----	ENDING BALANCE -----
ATHLETICS	195.00-	.00	1,180.00	1,375.00	.00
MUSIC	449.96	588.00	740.55	.00	297.41
CLASSES AND CLUBS	13,833.27	37,907.75	36,912.42	340.50-	14,488.10
TRUST	2,767.27	19,432.60	27,261.04	7,386.73	2,325.56
PROPERTY DEPOSITS	1,738.58	471.00	.00	.00	2,209.58
INSTRUCTIONAL AIDS	2,415.20	948.50	284.33	672.50-	2,406.87
GENERAL	2,314.51	12,303.35	5,631.80	5,032.02-	3,954.04
INSTRUCTIONAL MATE	5,092.72	18,946.60	13,936.53	2,716.71-	7,386.08
COMMUNITY SCHOOL	67.18	7,509.00	7,509.00	.00	67.18
TOTAL	28,483.69	98,106.80	93,455.67	.00	33,134.82

CHECKING	12,551.66	INVESTMENTS	.00	SBMMF	20,583.16	TOTAL	33,134.82
		ACCOUNTS PAYABLE	.00		.00		

HIALEAH MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL

Address: 6027 East Seventh Avenue, Hialeah, Florida 33013

Date School Established: 1964

Grades: 7-9

Principal: Ms. Martha Montiel

Treasurer: Ms. Danelia Cespedes

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Bank of America, N. A.	--	0.10	\$ 26,205.43
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>25,107.44</u>
TOTAL			<u><u>\$ 51,312.87</u></u>

AUDIT OPINION

The internal funds and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

ACCESS CENTER I

SCHOOL - 6231 HIALEAH MIDDLE SCHOOL

FUNDS -----	BEGINNING BALANCE -----	RECEIPTS -----	DISBURSE- MENT -----	NET TRANSFER -----	ENDING BALANCE -----
ATHLETICS	.00	100.00	620.00	504.15	15.85-
MUSIC	538.16	192.00	701.88	.00	28.28
CLASSES AND CLUBS	7,566.29	51,983.49	45,732.80	4,166.65-	9,650.33
TRUST	10,630.73	68,281.54	79,115.32	6,873.86	6,670.81
PROPERTY DEPOSITS	1,313.81	504.00	960.75	35.00	892.06
INSTRUCTIONAL AIDS	1,156.88	4,793.00	4,637.23	522.83-	789.82
GENERAL	4,880.60	25,434.72	9,282.12	723.53-	20,309.67
INSTRUCTIONAL MATE	8,909.78	37,210.42	31,570.81	2,000.00-	12,549.39
COMMUNITY SCHOOL	438.36	.00	.00	.00	438.36
TOTAL	35,434.61	188,499.17	172,620.91	.00	51,312.87

CHECKING	26,205.43	INVESTMENTS	.00	SBMMF	25,107.44	TOTAL	51,312.87
		ACCOUNTS PAYABLE	.00		.00		

LAKE STEVENS MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL

Address: 18484 N. W. 48 Place, Miami Gardens, Florida 33055

Date School Established: 1975

Grades: 6-8

Principal: Dr. Derick R. McKoy

Treasurers: Ms. Patsy Francis (Through September 2006)
Ms. Sandra Douglas (Part-time)

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Wachovia Bank, N. A.	--	3.21	\$ 5,837.84
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>20,769.03</u>
TOTAL			<u><u>\$ 26,606.87</u></u>

AUDIT OPINION

The internal funds, purchasing credit card, and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

SCHOOL - 6351 LAKE STEVENS MIDDLE SC ACCESS CENTER I

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
-----	-----	-----	-----	-----	-----
ATHLETICS	.00	.00	120.00	120.00	.00
MUSIC	420.99	204.00	609.00	.00	15.99
CLASSES AND CLUBS	16,808.46	19,187.63	25,454.92	2,036.47-	8,504.70
TRUST	2,681.79	21,139.01	26,255.87	6,700.55	4,265.48
PROPERTY DEPOSITS	1,005.26	3,991.70	964.95	.00	4,032.01
INSTRUCTIONAL AIDS	1,272.29	2,791.00	2,946.36	.00	1,116.93
GENERAL	269.32	8,670.52	6,920.66	1,785.08-	234.10
INSTRUCTIONAL MATE	3,427.98	26,153.10	18,144.42	2,999.00-	8,437.66
TOTAL	25,886.09	82,136.96	81,416.18	.00	26,606.87

CHECKING	5,837.84	INVESTMENTS	.00	SBMMF	20,769.03	TOTAL	26,606.87
		ACCOUNTS PAYABLE	.00		.00		

MIAMI LAKES MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL

Address: 6425 Miami Lakeway North, Miami Lakes, Florida 33014

Date Center Established: 1974

Grades: 6-8

Principal: Mr. Joaquin P. Hernandez

Treasurer: Ms. Barbara Valentin

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Mellon United National Bank	--	1.25	\$ 26,894.43
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>61,391.82</u>
TOTAL			<u><u>\$ 88,286.25</u></u>

AUDIT OPINION

The internal funds, purchasing credit card, and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

ACCESS CENTER I
 SCHOOL - 6501 MIAMI LAKES MIDDLE SCH

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	.00	.00	380.00	380.00	.00
MUSIC	2,868.96	468.00	637.19	.00	2,699.77
CLASSES AND CLUBS	11,828.24	33,830.98	32,921.24	1,607.62-	11,130.36
TRUST	28,987.32	39,748.60	51,213.19	2,398.85	19,921.58
PROPERTY DEPOSITS	1,700.27	1,083.00	1,274.90	.00	1,508.37
INSTRUCTIONAL AIDS	708.78	1,210.00	665.08	.00	1,253.70
GENERAL	33,514.28	18,768.79	10,936.55	1,171.23-	40,175.29
INSTRUCTIONAL MATE	5,166.75	23,188.37	16,757.94	.00	11,597.18
TOTAL	84,774.60	118,297.74	114,786.09	.00	88,286.25

CHECKING	26,894.43	INVESTMENTS	.00	SBMMF	61,391.82	TOTAL	88,286.25
		ACCOUNTS PAYABLE	.00		.00		

NORTH DADE MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL

Address: 1840 N. W. 157 Street, Opa-Locka, Florida 33054

Date School Established: 1957

Grades: 6-8

Principal: Ms. Eunice J. Davis

Treasurer: Ms. Delois D. Hall

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Bank of America, N. A.	--	0.10	\$ 7,058.43
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>16,167.60</u>
TOTAL			<u>\$ 23,226.03</u>

AUDIT OPINION

The internal funds, purchasing credit card, and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

ACCESS CENTER I
 SCHOOL - 6591 NORTH DADE MIDDLE SCHO

FUNDS -----	BEGINNING BALANCE -----	RECEIPTS -----	DISBURSE- MENT -----	NET TRANSFER -----	ENDING BALANCE -----
ATHLETICS	.00	.00	360.00	360.00	.00
MUSIC	87.50	597.00	351.00	.00	333.50
CLASSES AND CLUBS	8,604.09	13,944.00	15,265.83	36.75	7,319.01
TRUST	4,153.71	18,865.87	19,047.52	806.26	4,778.32
INSTRUCTIONAL AIDS	237.50	818.00	822.25	.00	233.25
GENERAL	263.87	4,081.09	3,130.00	653.01-	561.95
INSTRUCTIONAL MATE	4,969.02	10,594.39	5,013.41	550.00-	10,000.00
TOTAL	18,315.69	48,900.35	43,990.01	.00	23,226.03

CHECKING	7,058.43	INVESTMENTS	.00	SBMMF	16,167.60	TOTAL	23,226.03
		ACCOUNTS PAYABLE	.00		.00		

SENIOR HIGH SCHOOLS

AMERICAN SENIOR HIGH SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL

Address: 18350 N. W. 67 Avenue, Hialeah, Florida 33015

Date School Established: 1976

Grades: 9-12

Principal: Dr. Louis J. Algaze

Treasurer: Ms. Elizabeth A. Gendys-Rodriguez

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Bank of America, N. A.	--	0.10	\$ 12,556.01
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>269,521.01</u>
TOTAL			<u><u>\$ 282,077.02</u></u>

AUDIT OPINION

The internal funds and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to; and controls over the review and approval of the Authorized Applications for Employees by Locations Report were complied with. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

ACCESS CENTER I

SCHOOL - 7011 AMERICAN SENIOR

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	28,926.60	82,485.93	89,426.87	3,102.37	25,088.03
MUSIC	3,753.19	4,368.80	4,943.03	966.89-	2,212.07
CLASSES AND CLUBS	123,995.09	226,118.03	282,844.11	50,706.90	117,975.91
TRUST	81,042.04	181,435.17	190,367.25	7,468.02	79,577.98
PROPERTY DEPOSITS	6,410.64	3,360.50	3,587.74	6.50	6,189.90
SCHOOL STORE	51.23	.00	.00	.00	51.23
INSTRUCTIONAL AIDS	7,727.58	13,485.70	13,453.77	.00	7,759.51
GENERAL	33,895.33	101,269.82	40,337.13	60,456.90-	34,371.12
INSTRUCTIONAL MATE	5,781.84	50,958.64	50,502.72	.00	6,237.76
PRODUCTION/SERVICE	2,882.25	11,136.00	11,544.74	140.00	2,613.51
TOTAL	294,465.79	674,618.59	687,007.36	.00	282,077.02

CHECKING	12,556.01	INVESTMENTS	.00	SBMMF	269,521.01	TOTAL	282,077.02
			ACCOUNTS PAYABLE		.00		

BARBARA GOLEMAN SENIOR HIGH SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL

Address: 14100 N.W. 89 Avenue, Miami Lakes, Florida 33018

Date School Established: 1995

Grades: 9-12

Principal: Mr. Carlos Artime

Treasurer: Ms. Indira Quintana

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Regions Bank	--	--	\$ 1,139.08
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>312,523.04</u>
TOTAL			<u>\$ 313,662.12</u>

AUDIT OPINION

The internal funds and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to; and controls over the review and approval of the Authorized Applications for Employees by Locations Report were complied with. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

ACCESS CENTER I
 SCHOOL - 7751 BARBARA GOLEMAN SENIOR

FUNDS -----	BEGINNING BALANCE -----	RECEIPTS -----	DISBURSE- MENT -----	NET TRANSFER -----	ENDING BALANCE -----
ATHLETICS	67,256.87	42,208.76	102,113.54	42,882.54	50,234.63
MUSIC	5,967.86	14,067.00	12,124.09	365.00-	7,545.77
CLASSES AND CLUBS	137,837.08	331,994.80	365,314.92	10,536.45	115,053.41
TRUST	63,480.57	242,409.03	311,426.97	36,979.32	31,441.95
PROPERTY DEPOSITS	5,705.64	4,251.00	4,780.88	424.76-	4,751.00
INSTRUCTIONAL AIDS	15,348.05	26,957.00	27,326.92	.00	14,978.13
GENERAL	113,179.92	152,024.99	104,896.13	89,608.55-	70,700.23
INSTRUCTIONAL MATE	12,353.66	118,066.72	126,683.67	.00	3,736.71
COMMUNITY SCHOOL	346.84	16,715.00	10,995.14	.00	6,066.70
PRODUCTION/SERVICE	1,682.11	23,920.00	16,448.52	.00	9,153.59
TOTAL	423,158.60	972,614.30	1,082,110.78	.00	313,662.12

CHECKING	1,139.08	INVESTMENTS	.00	SBMMF	312,523.04	TOTAL	313,662.12
				ACCOUNTS PAYABLE	.00		

HIALEAH SENIOR HIGH SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL

Address: 251 East 47 Street, Hialeah, Florida 33016

Date School Established: 1954

Grades: 9-12

Principal: Mr. Lorenzo Ladaga

Treasurer: Ms. Ana A. Hernandez

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Wachovia Bank, N. A.	--	3.21	\$ 28,153.45
Investments:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>275,820.76</u>
TOTAL			<u>\$ 303,974.21</u>

AUDIT OPINION

The internal funds, purchasing credit card, and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to; and controls over the review and approval of the Authorized Applications for Employees by Locations Report were complied with. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

AS OF: 06/30/06 M I A M I - D A D E C O U N T Y P U B L I C S C H O O L S RUN DATE: 07/01/06
 PRODUCT NO. T22160601 SCHOOL INTERNAL FUNDS - ANNUAL FINANCIAL REPORT PAGE NO. 18

ACCESS CENTER I

SCHOOL - 7111 HIALEAH SENIOR

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
-----	-----	-----	-----	-----	-----
ATHLETICS	7,423.37	48,032.26	61,720.49	.00	6,264.86-
MUSIC	3,844.33	9,904.00	4,109.94	4,263.02-	5,375.37
CLASSES AND CLUBS	149,412.37	306,207.19	385,543.81	94,003.92	164,079.67
TRUST	17,113.58	197,709.19	176,801.93	7,385.06	45,405.90
PROPERTY DEPOSITS	118.37	.00	.00	.00	118.37
INSTRUCTIONAL AIDS	8,956.24	15,181.00	18,412.70	253.50	5,978.04
GENERAL	54,842.10	133,440.94	33,042.70	96,854.46-	58,385.88
INSTRUCTIONAL MATE	20,000.00	89,466.57	89,466.57	.00	20,000.00
PRODUCTION/SERVICE	6,953.34	16,778.02	12,310.52	525.00-	10,895.84
TOTAL	268,663.70	816,719.17	781,408.66	.00	303,974.21

CHECKING	28,153.45	INVESTMENTS	.00	SBMMF	275,820.76	TOTAL	303,974.21
			ACCOUNTS PAYABLE		.00		

HIALEAH-MIAMI LAKES SENIOR HIGH SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL*

Address: 7977 West 12 Avenue, Hialeah, Florida 33014

Date School Established: 1971

Grades: 9-12

Principal: Ms. Karen Robinson

Treasurer: Ms. Maria E. Brito

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Eastern National Bank	--	0.25	\$ 33,481.29
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>193,331.21</u>
TOTAL			<u><u>\$ 226,812.50</u></u>

AUDIT OPINION

The internal funds and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to; and controls over the review and approval of the Authorized Applications for Employees by Locations Report were complied with. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

*School Improvement Zone School

AS OF: 06/30/06 M I A M I - D A D E C O U N T Y P U B L I C S C H O O L S RUN DATE: 07/01/06
 PRODUCT NO. T22160601 SCHOOL INTERNAL FUNDS - ANNUAL FINANCIAL REPORT PAGE NO. 20

ACCESS CENTER I
 SCHOOL - 7131 HIALEAH-MIAMI LAKES SE

FUNDS -----	BEGINNING BALANCE -----	RECEIPTS -----	DISBURSE- MENT -----	NET TRANSFER -----	ENDING BALANCE -----
ATHLETICS	29,101.40	77,859.40	150,508.65	90,347.72	46,799.87
MUSIC	1,289.45	8,345.00	9,917.27	1,015.00	732.18
CLASSES AND CLUBS	94,233.28	189,190.70	187,937.04	12,571.11	108,058.05
TRUST	42,640.95	169,397.25	165,990.39	12,456.38-	33,591.43
PROPERTY DEPOSITS	3,247.46	1,445.50	.00	.00	4,692.96
INSTRUCTIONAL AIDS	13,568.73	16,714.22	17,902.90	.00	12,380.05
GENERAL	3,032.26	101,293.21	6,223.91	91,477.45-	6,624.11
INSTRUCTIONAL MATE	7,468.36	81,269.26	75,349.33	.00	13,388.29
PRODUCTION/SERVICE	545.56	.00	.00	.00	545.56
TOTAL	195,127.45	645,514.54	613,829.49	.00	226,812.50

CHECKING	33,481.29	INVESTMENTS	.00	SBMMF	193,331.21	TOTAL	226,812.50
		ACCOUNTS PAYABLE	.00		.00		

MIAMI CAROL CITY SENIOR HIGH SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL

Address: 3422 N. W. 187 Street, Miami Gardens, Florida 33056

Date School Established: 1963

Grades: 9-12

Principal: Ms. Kim W. Cox

Treasurers: Ms. Sandy Douglas (Through September 2005)
Ms. Diana Washington

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Wachovia Bank, N. A.	--	3.21	\$ 42,221.12
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>171,449.37</u>
TOTAL			<u><u>\$ 213,670.49</u></u>

AUDIT OPINION

The internal funds, purchasing credit card, and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to; and controls over the review and approval of the Authorized Applications for Employees by Locations Report were complied with. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

ACCESS CENTER I
 SCHOOL - 7231 MIAMI CAROL CITY SENIO

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
ATHLETICS	21,714.32	108,716.26	146,152.70	14,198.45	1,523.67-
MUSIC	4,384.27	2,859.00	4,323.15	225.00-	2,695.12
CLASSES AND CLUBS	61,793.62	214,670.28	220,986.72	3,265.46-	52,211.72
TRUST	84,864.48	193,475.60	204,878.10	4,809.92	78,271.90
PROPERTY DEPOSITS	378.51	.00	.00	.00	378.51
INSTRUCTIONAL AIDS	3,887.32	6,317.00	3,923.60	.00	6,280.72
GENERAL	38,780.83	77,395.68	45,518.91	12,187.56-	58,470.04
INSTRUCTIONAL MATE	5,125.51	31,270.59	18,118.10	2,837.50-	15,440.50
PRODUCTION/SERVICE	2,489.20	2,218.34	2,769.04	492.85-	1,445.65
TOTAL	223,418.06	636,922.75	646,670.32	.00	213,670.49

CHECKING	42,221.12	INVESTMENTS	.00	SBMMF	171,449.37	TOTAL	213,670.49
			ACCOUNTS PAYABLE		.00		

ADULT/VOCATIONAL CENTERS

AMERICAN ADULT EDUCATION CENTER
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE CENTER

Address: 18350 N.W. 67 Avenue, Hialeah, Florida 33156

Date Center Established: 1978

Principal: Mr. Alan J. Bashaw

Treasurer: Ms. Digna Diaz

Community School Assistant Principal: Mr. Lawrence Marfechuk

Community School Secretary: Ms. Rose Revuelta

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Date</u>	<u>6/30/06</u>
Checking Account:			
Bank of America, N. A.	--	--	\$ 36,691.57
Credit Card Accounts:			
SunTrust (American Adult Education Ctr.)	--	--	642.27
SunTrust (Palm Springs No. Comm. School)	--	--	3,887.29
SunTrust (Barbara Goleman Sr. High School)	--	--	131.00
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>234,721.43</u>
TOTAL			<u><u>\$276,073.56</u></u>

AUDIT OPINION

The internal funds and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

AS OF: 06/30/06 M I A M I - D A D E C O U N T Y P U B L I C S C H O O L S RUN DATE: 07/01/06
 PRODUCT NO. T22160601 SCHOOL INTERNAL FUNDS - ANNUAL FINANCIAL REPORT PAGE NO. 17

VOCATIONAL/ADULT
 SCHOOL - 7012 AMERICAN SR HIGH ADULT

FUNDS -----	BEGINNING BALANCE -----	RECEIPTS -----	DISBURSE- MENT -----	NET TRANSFER -----	ENDING BALANCE -----
TRUST	41,610.96	28,825.42	26,713.19	2,859.37-	40,863.82
SCHOOL STORE	82,184.71	27,761.42	26,609.88	1,385.34	84,721.59
INSTRUCTIONAL AIDS	82,194.36	53,800.50	21,738.91	12.00-	114,243.95
GENERAL	3,687.45	10,006.84	6,922.24	1,889.47	8,661.52
INSTRUCTIONAL MATE	5,433.68	46,151.02	33,663.81	341.89-	17,579.00
ADULT EDUCATION	.00	18,858.00	20,051.00	1,193.00	.00
COMMUNITY SCHOOL	12,830.26	751,134.44	753,859.02	102.00-	10,003.68
PRODUCTION/SERVICE	1,152.55	.00	.00	1,152.55-	.00
TOTAL	229,093.97	936,537.64	889,558.05	.00	276,073.56

CHECKING	41,352.13	INVESTMENTS	.00	SBMMF	234,721.43	TOTAL	276,073.56
			ACCOUNTS PAYABLE		.00		

HIALEAH ADULT EDUCATIONAL CENTER
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE CENTER

Address: 251 East 47 Street, Miami, Florida 33013

Date Center Established: 1960

Principal: Mr. James E. Bishop

Treasurer: Ms. Cristina Bernstein

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Term</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:				
Bank of America, N. A.	--	--	0.10	\$ 35,373.09
Investment:				
Bank of America, N. A.	11/17/06	6 mos.	2.81	10,000.00
	01/12/07	12 mos.	3.55	10,000.00
MDCPS-Money Market Pool Fund	Open-end	--	4.76	60,403.34
TOTAL				<u>\$115,776.43</u>

AUDIT OPINION

The internal funds and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

AS OF: 06/30/06 M I A M I - D A D E C O U N T Y P U B L I C S C H O O L S RUN DATE: 07/01/06
 PRODUCT NO. T22160601 SCHOOL INTERNAL FUNDS - ANNUAL FINANCIAL REPORT PAGE NO. 19

VOCATIONAL/ADULT
 SCHOOL - 7112 HIALEAH HIGH ADULT ED

FUNDS -----	BEGINNING BALANCE -----	RECEIPTS -----	DISBURSE- MENT -----	NET TRANSFER -----	ENDING BALANCE -----
TRUST	30,109.03	16,820.96	19,313.82	9,977.16	37,593.33
SCHOOL STORE	43,989.36	39,569.54	34,869.85	8,528.91-	40,160.14
INSTRUCTIONAL AIDS	22,616.26	7,501.00	15,348.28	20.00-	14,748.98
GENERAL	2,986.64	4,568.51	1,274.69	.00	6,280.46
INSTRUCTIONAL MATE	12,342.17	25,006.37	18,926.77	1,428.25-	16,993.52
ADULT EDUCATION	.00	154,927.00	154,927.00	.00	.00
COMMUNITY SCHOOL	.00	18,590.00	18,590.00	.00	.00
TOTAL	112,043.46	266,983.38	263,250.41	.00	115,776.43

CHECKING	35,373.09	INVESTMENTS	20,000.00	SBMMF	60,403.34	TOTAL	115,776.43
			ACCOUNTS PAYABLE		.00		

HIALEAH-MIAMI LAKES ADULT EDUCATIONAL CENTER
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE CENTER

Address: 7977 West 12 Avenue, Hialeah, Florida 33014

Date Center Established: 1972

Principal: Dr. Nilda J. Diaz

Treasurer: Ms. Ligia Arias

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Eastern National Bank	--	--	\$ 24,621.90
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>226,489.91</u>
TOTAL			<u>\$ 251,111.81</u>

AUDIT OPINION

The internal funds and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

AS OF: 06/30/06 M I A M I - D A D E C O U N T Y P U B L I C S C H O O L S RUN DATE: 07/01/06
 PRODUCT NO. T22160601 SCHOOL INTERNAL FUNDS - ANNUAL FINANCIAL REPORT PAGE NO. 21

VOCATIONAL/ADULT

SCHOOL - 7132 HIALEAH MIA LKS ADULT

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
-----	-----	-----	-----	-----	-----
TRUST	61,683.44	41,828.79	49,810.91	5,218.00	58,919.32
SCHOOL STORE	73,146.16	53,471.05	36,621.96	3,769.06-	86,226.19
INSTRUCTIONAL AIDS	61,485.77	9,731.00	58.00	18.00-	71,140.77
GENERAL	28,093.61	7,859.13	21,127.21	.00	14,825.53
INSTRUCTIONAL MATE	6,755.16	15,362.32	686.54	1,430.94-	20,000.00
ADULT EDUCATION	.00	6,103.00	6,103.00	.00	.00
COMMUNITY SCHOOL	.00	4,225.00	4,225.00	.00	.00
TOTAL	231,164.14	138,580.29	118,632.62	.00	251,111.81

CHECKING	24,621.90	INVESTMENTS	.00	SBMMF	226,489.91	TOTAL	251,111.81
			ACCOUNTS PAYABLE		.00		

MIAMI LAKES EDUCATIONAL CENTER
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE CENTER:

Address: 5780 N.W. 158 Street, Hialeah, Florida 33014

Date Center Established: 1973

Principal: Mr. James V. Parker

Business Manager: Ms. Arlene Steward (Adult Education Center)

Treasurers: Ms. Versie Outler (Adult Education Center)
Ms. Marie M. Jerome (Senior High School)

CASH AND/OR INVESTMENT SUMMARY

	Maturity <u>Date</u>	Term <u>Term</u>	Interest <u>Rate</u>	Balance at 06/30/2006	
				<u>Adult Center</u>	<u>High School</u>
Checking Accounts:					
Bank of America, N. A	--	--	--	\$ 23,386.30	
Regions Bank	--	--	--		\$ 33,882.75
Credit Card Account:					
SunTrust Bank	--	--	--	13,637.50	
Investments:					
SunTrust Bank	12/27/06	6 mos.	2.81	70,000.00	
Banco Popular, North America	01/30/07	12 mos.	4.40	75,000.00	
Eastern National Bank	12/30/06	13 mos.	3.50	90,000.00	
MDCPS-Money Market Pool Fund	Open-end	--	4.76	175,774.47	174,728.20
TOTAL				<u>\$447,798.27</u>	<u>\$208,610.95</u>

AUDIT OPINION

The internal funds, purchasing credit card, and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

MIAMI LAKES EDUCATIONAL CENTER
STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

EXHIBIT A

<u>FUND</u>	<u>BEGINNING BALANCE</u>	<u>RECEIPTS</u>	<u>DISBURSE- MENTS</u>	<u>NET TRANSFERS</u>	<u>ENDING BALANCE</u>
CLASSES AND CLUBS	\$ 3,695.00	\$ 5,720.21	\$ 8,699.72	\$ 1,945.45	\$ 2,660.94
TRUST	60,503.11	208,434.28	187,600.45	(26,092.93)	55,244.01
PROPERTY DEPOSITS	-	-	-	-	-
SCHOOL STORE (1)	139,731.40	147,270.64	128,474.31	(43,716.34)	114,811.39
INSTRUCTIONAL AIDS	60,001.49	79,476.00	62,514.43	934.78	77,897.84
GENERAL	5,946.88	41,217.73	93,055.96	145,244.96	99,353.61
INSTRUCTIONAL MAT./SUP	19,936.50	23,476.10	33,200.67	-	10,211.93
ADULT EDUCATION	-	1,109,415.08	1,126,495.08	17,080.00	-
COMMUNITY SCHOOL	-	59,949.00	60,843.00	894.00	-
FOOD SERVICE (2)	28,652.79	133,412.43	129,643.47	3,344.50	35,766.25
PRODUCTION SHOPS	<u>142,875.84</u>	<u>46,087.23</u>	<u>37,476.35</u>	<u>(99,634.42)</u>	<u>51,852.30</u>
TOTAL	<u>\$ 461,343.01</u>	<u>\$ 1,854,458.70</u>	<u>\$ 1,868,003.44</u>	<u>\$ -</u>	<u>\$ 447,798.27</u>

Notes:

(1) See Exhibit B for further analysis of gross profit and net income (loss).

(2) See Exhibit C for further analysis of gross profit and net income (loss).

ADULT EDUCATIONAL CENTER

MIAMI LAKES EDUCATIONAL CENTER
STATEMENT OF NET INCOME (LOSS)--SCHOOL STORE
JULY 1, 2005 THROUGH JUNE 30, 2006
(COMPARED TO THE 2004-05 FISCAL YEAR)

EXHIBIT B

	<u>2004-05</u>	<u>2005-06</u>
TOTAL SALES	\$ 139,241	\$ 133,026
COST OF SALES		
Beginning Inventory	58,004	47,839
Purchases	<u>104,989</u>	<u>131,002</u>
Total Inventory Available for Sale	162,993	178,841
Less: Ending Inventory	<u>47,839</u>	<u>64,482</u>
TOTAL COST OF SALES	<u>115,154</u>	<u>114,359</u>
GROSS PROFIT (See Note 1)	<u>24,087</u>	<u>18,667</u>
NET INCOME (LOSS)	<u><u>\$ 24,087</u></u>	<u><u>\$ 18,667</u></u>

Notes:

1 The School Store includes the sales and purchases of textbook and other school supplies.

ADULT EDUCATIONAL CENTER

MIAMI LAKES EDUCATIONAL CENTER
STATEMENT OF NET INCOME (LOSS)--FOOD SERVICE PROGRAM
JULY 1, 2005 THROUGH JUNE 30, 2006
(COMPARED TO THE 2004-05 FISCAL YEAR)

EXHIBIT C

	<u>2004-05</u>	<u>2005-06</u>
TOTAL SALES	\$ 128,228	\$ 136,757
COST OF SALES		
Beginning Inventory	8,907	9,887
Purchases	<u>76,486</u>	<u>80,842</u>
Total Inventory Available for Sale	85,393	90,729
Less: Ending Inventory	<u>9,887</u>	<u>10,426</u>
TOTAL COST OF SALES	<u>75,506</u>	<u>80,303</u>
GROSS PROFIT	<u>52,722</u>	<u>56,454</u>
OPERATING EXPENSES*		
Cleaning Supplies	6,650	6,872
Meals-Employees	2,480	1,964
Meals-Students	2,846	2,769
Spoilage	601	-
Paper Supplies	18,470	19,868
Repair and Maintenance	114	-
Miscellaneous Expenses	3,130	3,333
Food loss in class	13,166	12,629
Office Supplies	<u>2,394</u>	<u>1,367</u>
TOTAL OPERATING EXPENSES	<u>49,851</u>	<u>48,802</u>
NET INCOME (LOSS)	<u>\$ 2,871</u>	<u>\$ 7,652</u>

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

ADULT EDUCATIONAL CENTER

ACCESS CENTER I
 SCHOOL - 7391 MIAMI LAKES EDUCATIONA

FUNDS -----	BEGINNING BALANCE -----	RECEIPTS -----	DISBURSE- MENT -----	NET TRANSFER -----	ENDING BALANCE -----
ATHLETICS	.00	1,764.00	1,764.00	.00	.00
CLASSES AND CLUBS	29,094.34	144,324.11	138,354.12	2,197.53-	32,866.80
TRUST	14,355.98	60,601.26	79,152.57	33,702.24	29,506.91
PROPERTY DEPOSITS	.00	973.50	608.33	42.70-	322.47
INSTRUCTIONAL AIDS	4,352.03	7,579.00	5,260.23	.00	6,670.80
GENERAL	55,585.75	104,277.51	22,504.16	31,462.01-	105,897.09
INSTRUCTIONAL MATE	7,140.05	23,338.32	16,274.74	.00	14,203.63
PRODUCTION/SERVICE	.00	36,516.00	17,372.75	.00	19,143.25
TOTAL	110,528.15	379,373.70	281,290.90	.00	208,610.95

CHECKING	33,882.75	INVESTMENTS	.00	SBMMF	174,728.20	TOTAL	208,610.95
			ACCOUNTS PAYABLE		.00		

SENIOR HIGH SCHOOL

ALTERNATIVE EDUCATION CENTERS

MIAMI-MACARTHUR NORTH SENIOR HIGH SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2006 THROUGH JUNE 30, 2006

PROFILE OF THE SCHOOL

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

Date School Established: 1964

Grades: 9-12

Principal: Mr. Marion L. Rogers

Treasurer: Mr. Klever Estrella

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Wachovia Bank, N. A.	--	3.21	\$ 9,868.18
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>25,742.75</u>
TOTAL			<u>\$ 35,610.93</u>

AUDIT OPINION

The internal funds and property records were properly maintained and equipment items with an individual cost of \$1,000 or more were accounted for. In addition, payroll procedures were generally adhered to. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

AS OF: 06/30/06 M I A M I - D A D E C O U N T Y P U B L I C S C H O O L S RUN DATE: 07/01/06
 PRODUCT NO. T22160601 SCHOOL INTERNAL FUNDS - ANNUAL FINANCIAL REPORT PAGE NO. 23

ALTERNATIVE EDUC

SCHOOL - 7254 M DOUG MACARTHUR SR. N

FUNDS -----	BEGINNING BALANCE -----	RECEIPTS -----	DISBURSE- MENT -----	NET TRANSFER -----	ENDING BALANCE -----
ATHLETICS	1,040.97	6,718.00	7,778.09	336.00	316.88
CLASSES AND CLUBS	3,440.89	1,575.72	3,743.70	336.00-	936.91
TRUST	4,997.93	11,360.29	7,990.54	2,035.52	10,403.20
INSTRUCTIONAL AIDS	117.00	24.00	40.70	.00	100.30
GENERAL	3,844.97	3,634.83	958.89	1,647.08-	4,873.83
INSTRUCTIONAL MATE	15,558.67	16,143.54	17,203.71	.00	14,498.50
PRODUCTION/SERVICE	6,076.36	5,985.45	7,192.06	388.44-	4,481.31
TOTAL	35,076.79	45,441.83	44,907.69	.00	35,610.93

CHECKING	9,868.18	INVESTMENTS	.00	SBMMF	25,742.75	TOTAL	35,610.93
		ACCOUNTS PAYABLE	.00		.00		

JAN MANN OPPORTUNITY SCHOOL
AUDIT REPORT
FOR THE 2005-06 FISCAL YEAR
JULY 1, 2005 THROUGH JUNE 30, 2006

PROFILE OF THE CENTER

Address: 16101 N.W 44 Court, Opa-Locka, Florida 33056

Date Center Established: 1977

Grades: 6-8

Principal: Ms. Deborah Carter

Treasurers: Ms. Gay Veal (Through September 2005)
Ms. Elizabeth D. Rogers

CASH AND/OR INVESTMENT SUMMARY

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>6/30/06</u>
Checking Account:			
Bank of America, N. A.	--	--	\$ 9,053.62
Investment:			
MDCPS-Money Market Pool Fund	Open-end	4.76	<u>1,714.86</u>
TOTAL			<u><u>\$ 10,768.48</u></u>

AUDIT OPINION

The internal funds records were properly maintained. In addition, payroll procedures were generally adhered to; and controls over the review and approval of the Authorized Applications for Employees by Locations Report were complied with. The financial statement of the internal funds of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2005-06 fiscal year, on the cash basis of accounting. Our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was generally functioning as designed by the school administration. With respect to the items tested, the school was in general compliance with the policies and procedures in the Manual of Internal Fund Accounting. When conditions came to our attention that were deemed non-reportable, because they were immaterial or inconsequential, they were, nevertheless, discussed with management for their information and follow-up.

A physical inventory of property items with an individual cost of \$1,000 or more showed that 1 item at a cost of \$1,369 and a depreciated value of \$616 could not be located. The Manual of Property Control Procedures requires a proper accounting of all items with an individual cost of \$1,000 or more.

AS OF: 06/30/06 M I A M I - D A D E C O U N T Y P U B L I C S C H O O L S RUN DATE: 07/01/06
 PRODUCT NO. T22160601 SCHOOL INTERNAL FUNDS - ANNUAL FINANCIAL REPORT PAGE NO. 26

ALTERNATIVE EDUC

SCHOOL - 8101 JAN MANN OPP. CENTER

FUNDS	BEGINNING BALANCE	RECEIPTS	DISBURSE- MENT	NET TRANSFER	ENDING BALANCE
-----	-----	-----	-----	-----	-----
CLASSES AND CLUBS	199.97	.00	.00	.16-	199.81
TRUST	1,398.26	520.10	2,322.01	1,471.98	1,068.33
GENERAL	1,503.29	372.58	592.62	217.09	1,500.34
INSTRUCTIONAL MATE	7,676.08	22,418.64	20,405.81	1,688.91-	8,000.00
TOTAL	10,777.60	23,311.32	23,320.44	.00	10,768.48

CHECKING	9,053.62	INVESTMENTS	.00	SBMMF	1,714.86	TOTAL	10,768.48
		ACCOUNTS PAYABLE	.00		.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.



Miami-Dade County Public Schools
giving our students the world