

# **The School Board of Miami-Dade County, Florida**

Report to the Honorable Chairperson and Board  
Members of The School Board of Miami-Dade  
County, Florida and the Honorable Chairperson and  
Board Members of the School Board Audit and  
Budget Advisory Committee  
November 24, 2021





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November 24, 2021

Honorary Chairperson and Members of The School Board of Miami-Dade County, Florida and  
Honorary Chairperson and Members of the School Board Audit and Budget Advisory Committee  
The School Board of Miami-Dade County, Florida  
Miami, Florida

Ladies and Gentlemen:

We are pleased to present this report related to our audit of basic financial statements of The School Board of Miami-Dade County, Florida (the School Board) as of and for the year ended June 30, 2021. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the School Board's financial reporting process.

In connection therewith, we will also issue under separate cover, a report on internal control over financial reporting and on compliance and other matters, a single audit report in accordance with the Uniform Guidance, a management letter in accordance with the rules of the Florida Auditor General, and an attestation report on compliance with *Chapter 10.800 of the Rules of the Auditor General of the State of Florida*, relating to the School Board's compliance with Section 218.415, *Florida Statutes, Local Government Investment Policies*. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the School Board's financial reporting process.

This report is intended solely for the information and use of the Honorary Chairperson and Members of The School Board of Miami-Dade County, Florida, the Honorary Chairperson and Members of the School Board Audit and Budget Advisory Committee, and the Superintendent of Schools, and is not intended to be, and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the School Board.

*RSM US LLP*

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## REQUIRED COMMUNICATIONS

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the basic financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial and related compliance reporting process.

### Our Responsibilities With Regard to the Financial Statement and Compliance Audit

Our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States have been described to you in our Agreement for Contracted Services dated March 23, 2021 and the Audit Arrangement Letter dated July 11, 2021. Our audit of the basic financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

### Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication dated July 20, 2021, regarding the planned scope and timing of our audit. Our audit of the financial statements included the performance of risk assessment procedures in order to identify risks of material misstatement, whether due to fraud or error. As part of these risk assessment procedures, we determined whether any risks identified are a significant risk. A significant risk is an identified and assessed risk of material misstatement that, in our professional judgment, requires special audit consideration. As part of our risk assessment procedures, we identified management override of controls, fraudulent revenue recognition, and the estimates regarding valuation of self-insurance, pension, and Other Post-Employment Benefit (OPEB) balances as significant risks.

### Accounting Policies and Practices

#### Preferability of Accounting Policies and Practices

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

#### Adoption of, or Change in, Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the School Board. The School Board adopted GASB 84, *Fiduciary Activities*, during the current period which resulted in a restatement of Governmental Activities and Aggregate Remaining Fund Information beginning net position and fund balance, respectively as of July 1, 2020. Our opinion is not modified with respect to this matter. The School Board did not adopt any other significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.

#### Significant or Unusual Transactions

We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### Management's Judgments and Accounting Estimates

Summary information about the process used by management in formulating particularly sensitive accounting estimates and about our conclusions regarding the reasonableness of those estimates is in the attached Summary of Significant Accounting Estimates section.

## Audit Adjustments and Uncorrected Misstatements

There were no audit adjustments made to the original trial balance presented to us to begin our audit.

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

## Departure From the Auditor's Standard Report

### Reporting – Expected Emphasis-of-Matter Paragraph

As discussed in Note 1 to the financial statements, the beginning net position and fund balance of the governmental activities and aggregate remaining fund information as of July 1, 2020, have been restated. In light of this matter, we have included an emphasis of matter paragraph in the auditor's report. This matter will not modify the opinion.

Below is the paragraph that is included in the auditor's report:

#### Emphasis of Matter

As discussed in Note 1 to the financial statements, the School Board adopted the recognition and disclosure requirements of Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*. The beginning net position and fund balance of the governmental activities and the aggregate remaining fund information as of July 1, 2020, have been restated. Our opinion is not modified with respect to this matter.

## Other Information Included in Annual Reports

Our responsibility for other information included in annual reports is to read the information and consider whether its content or the manner of its presentation is materially inconsistent with the financial information covered by our auditor's report, whether it contains a material misstatement of fact or whether the other information is otherwise misleading. We read the School Board's introductory section, combining and individual fund financial statements and other supplementary information, and statistical section. We did not identify material inconsistencies with the audited financial statements.

## Observations About the Audit Process

### Disagreements With Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the basic financial statements.

### Consultations With Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

### Significant Issues Discussed With Management

No significant issues arising from the audit were discussed or were the subject of correspondence with management.

### Significant Difficulties Encountered in Performing the Audit

We did not encounter any significant difficulties in dealing with management during the audit.

### Difficult or Contentious Matters That Required Consultation

We did not encounter any significant and difficult or contentious matters that required consultation outside the engagement team.

## Internal Control and Compliance Matters

We will issue, under separate cover, the following reports in connection with our audit, as required by the *Government Auditing Standards* and Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and *Chapter 10.800, Rules of the Auditor General of the State of Florida*:

- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*
- Independent Auditor's Report on Compliance for Each Major Federal Program: Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by Uniform Guidance
- Management Letter in Accordance with the Chapter 10.800, *Rules of the Auditor General of the State of Florida*
- Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.800, *Rules of the Auditor General of the State of Florida*

## Significant Written Communications Between Management and Our Firm

Copies of significant written communications between our firm and the management of the School Board, including the representation letter provided to us by management, are attached as Exhibit B.

## SIGNIFICANT ACCOUNTING ESTIMATES

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events, and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following summarizes the significant accounting estimates reflected in the School Board's June 30, 2021 basic financial statements.

### Significant Accounting Estimates

#### Accounting for Other Post- Employment Benefits (Recognized on the Government-Wide Financial Statements)

<b>Accounting policy</b>	Total postemployment benefits other than pension (OPEB) liabilities, related deferral amounts and OPEB disclosures are actuarially determined in accordance with the parameters established by the GASB. OPEB expense is recognized over the periods of employee service.
<b>Management's estimation process</b>	Management with input from its OPEB actuary developed the actuarial assumptions based on relevant criteria. Management reviewed and approved the financial statement estimates derived from the OPEB actuarial report.
<b>Basis for our conclusion on the reasonableness of the estimate</b>	We have audited the underlying data supporting the estimate and reviewed management's methodology, including evaluating the actuarial reports and assumptions used which appears reasonable and consistently applied, and have deemed the resulting estimates to be reasonable.

#### Accounting for Pension Plans and the Related Net Pension Liabilities, including Amounts From the Florida Retirement System (Recognized on the Government-Wide Financial Statements)

<b>Accounting policy</b>	Net pension liabilities and related pension amounts are actuarially determined in accordance with the parameters established by the GASB. Pension expense is recognized over the periods of employee service. The School Board's proportionate share of the net pension liability and any associated deferred outflows/inflows as of the period ended are recognized in the financial statements.
<b>Management's estimation process</b>	The Florida Retirement System's (FRS) management, with input from its actuary, developed the actuarial assumptions based on relevant criteria. School Board Management is not involved in the selection and development of the actuarial assumptions. School Board management reviewed and approved the financial statement accounting estimates derived from the pension plan's actuarial report and GASB 68 disclosure schedules provided by the FRS.
<b>Basis for our conclusion on the reasonableness of the estimate</b>	We have audited the underlying data supporting the estimate and reviewed management's methodology, including evaluating the actuarial reports and assumptions used which appears reasonable and consistently applied, and have deemed the resulting estimates to be reasonable.

## Significant Accounting Estimates

### Actuarial Assumptions Used for the Self-Insurance Program (Risk Management)

<b>Accounting policy</b>	The School Board is self-insured for portions of its general and automobile liability insurance, workers' compensation and health insurance, subject to stop loss coverages. The accrued liability for estimated claims represents an estimate of the eventual loss on claims including claims incurred but not yet reported.
<b>Management's estimation process</b>	Management with input from its risk actuary developed the actuarial assumptions based on relevant criteria. Management reviewed and approved the financial statement estimates derived from the risk actuarial report.
<b>Basis for our conclusion on the reasonableness of the estimate</b>	We have audited the underlying data supporting the estimates and reviewed management's methodology, including evaluating the actuarial reports and assumptions used which appears reasonable and consistently applied, and have deemed the resulting estimates to be reasonable.

### Depreciation of Capital Assets

<b>Accounting policy</b>	Depreciation on capital assets is provided using the straight-line method. Leasehold improvements are amortized on a straight-line basis over the shorter of the lease term or estimated useful life of the assets.
<b>Management's estimation process</b>	Depreciation of capital assets is determined using the straight-line method of depreciation over the estimated useful lives of the assets, as assigned by management.
<b>Basis for our conclusion on the reasonableness of the estimate</b>	We have audited the underlying data supporting the estimate and have concluded that the resulting estimate is reasonable.



## **EXHIBIT A**

### **Recent Accounting Pronouncements**

## RECENT ACCOUNTING PRONOUNCEMENTS

The following accounting pronouncements have been issued as of the report date but are not yet effective. These pronouncement may affect the future financial reporting by the School Board.

PRONOUNCEMENT	SUMMARY
<b>GASB 87, Leases</b>	This statement improves the accounting and financial reporting for leases by governments. The provisions of this statement will be effective for the School Board beginning with its year ending June 30, 2022.
<b>GASB 91, Conduit Debt Obligations</b>	This statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with: (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations and (3) related note disclosures. The provisions of this statement will be effective for the School Board beginning with its year ending June 30, 2023.
<b>GASB 92, Omnibus 2020</b>	This statement enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. The requirements of this Statement are effective for the School Board beginning with its year ending June 30, 2022.
<b>GASB 93, Replacement of Interbank Offered Rates</b>	This statement addresses accounting and financial reporting implications that result from the replacement of a LIBOR. The requirements of this Statement are effective for the School Board beginning with its year ending June 30, 2022.
<b>GASB 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements</b>	This statement improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The requirements of this Statement are effective for the School Board beginning with its year ending June 30, 2023.
<b>GASB 96, Subscription-Based Information Technology Arrangements</b>	This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for the School Board beginning with its year ending June 30, 2023.

PRONOUNCEMENT	SUMMARY
<p><b>GASB Statement No. 97</b>, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32</p>	<p>The primary objectives of this statement are to: (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The provisions of this statement will be effective for the School Board beginning with its year ending June 30, 2022.</p>

## **EXHIBIT B**

### **Significant Written Communications Between Management and Our Firm**



# Miami-Dade County Public Schools

*giving our students the world*

## **Superintendent of Schools**

Alberto M. Carvalho

## **Miami-Dade County School Board**

Perla Tabares Hantman, Chair

Dr. Steve Gallon III, Vice Chair

Lucia Baez-Geller

Dr. Dorothy Bendross-Mindingall

Christi Fraga

Dr. Lubby Navarro

Dr. Marta Pérez

Mari Tere Rojas

Luisa Santos

November 24, 2021

RSM US LLP

801 Brickell Avenue, Suite 1050

Miami, FL 33131

This representation letter is provided in connection with your audit of the basic financial statements of governmental activities, each major fund and the aggregate remaining fund information of The School Board of Miami-Dade County, Florida (The School Board) as of and for the year ended June 30, 2021 for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) .

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves that as of the date of this letter:

## **Financial Statements**

1. We have fulfilled our responsibilities, as set out in the terms of the *Agreement for Contracted Services* dated March 23, 2021 and the *Audit Arrangement Letter* dated July 11, 2021, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.
2. We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.

5. Related-party transactions have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. Types of related-party transactions engaged in by the School Board include:
  - a. Those with component units for which the School Board is accountable.
  - b. Those with other organizations for which the nature and significance of their relationship with the School Board are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.
  - c. Interfund transactions, including interfund accounts and advances receivable and payable, sale and purchase transactions, interfund transfers, long-term loans, leasing arrangements and guarantees.
6. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as amended.
7. All events subsequent to the date of the financial statements, and for which U.S. GAAP requires adjustment or disclosure, have been adjusted or disclosed when applicable.
8. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
9. We represent the following:
  - a. Provisions for uncollectible receivables have been properly identified and recorded.
  - b. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
  - c. Revenues are appropriately classified in the statement of activities within program revenues, general revenues and contributions.
  - d. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
  - e. Risk disclosures associated with deposit and investment securities are presented in accordance with GASB requirements.
  - f. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported and, if applicable, depreciated.
  - g. The School Board's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and appropriately disclosed and that net position is properly recognized under the policy.
  - h. The School Board is following either its established accounting policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available or is following paragraph 18 of GASB Statement No. 54 to determine the fund balance classifications for financial reporting purposes.

10. We have no direct or indirect legal or moral obligation for any debt of any organization, public or private, or to special assessment bond holders, that is not disclosed in the financial statements.
11. We have complied with all aspects of laws, regulations and provisions of contracts and agreements that would have a material effect on the financial statements in the event of noncompliance.
12. We agree with the conclusions of the specialists in evaluating estimated liability for self-insurance, other post-employment benefit obligations (OPEB) and the net pension liability for the supplemental early retirement plan (SERP) and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give instructions, or cause any instructions to be given, to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.

In addition, we believe that the actuarial assumptions and methods used by the actuary for the OPEB and SERP plans for funding purposes and for determining accumulated plan benefits are appropriate in the circumstances. We did not give instructions, or cause any instructions to be given, to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the Plans' actuary.

13. The School Board participates in the Florida Retirement System ("FRS") which is accounted for in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 71, *Pension Transition for Contributions made subsequent to the Measurement Date*. Management has reviewed the audited financial statements of the FRS Pension Plan and Employer Allocation Reports, and other clarifying information issued by the Auditor General of the State of Florida as of and for the year ended June 30, 2020 whose opinions were unmodified.

We did not give instructions, or cause any instructions to be given, to the FRS Plan or its auditor in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the Plan or its auditor. Based on these reports and our reliance on the results of the reports and unmodified opinion, management has accepted and incorporated the FRS' applicable information within the financial statements.

14. We have no knowledge of any uncorrected misstatements in the financial statements.

## Information Provided

15. We have provided you with:

- a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation and other matters.
- b. Additional information that you have requested from us for the purpose of the audit.
- c. Unrestricted access to persons within the School Board from whom you determined it necessary to obtain audit evidence.
- d. Minutes of the meetings of the governing board and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.

16. All transactions have been recorded in the accounting records and are reflected in the basic financial statements.

17. We have disclosed to you the results of our assessment of risk that the basic financial statements may be materially misstated as a result of fraud.

18. It is our responsibility to establish and maintain internal control over financial reporting. One of the components of internal control is risk assessment. We hereby represent that our risk assessment process includes identification and assessment of risks of material misstatement due to fraud. We have shared with you our fraud risk assessment, including a description of the risks, our assessment of the magnitude and likelihood of misstatements arising from those risks, and the controls that we have designed and implemented in response to those risks.

19. We have no knowledge of allegations of fraud or suspected fraud affecting the School Board's basic financial statements involving:

- a. Management.
- b. Employees who have significant roles in internal control.
- c. Others where the fraud could have a material effect on the basic financial statements.

20. We have no knowledge of any allegations of fraud or suspected fraud affecting the School Board's basic financial statements received in communications from employees, former employees, analysts, regulators, short sellers or others.

21. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations.

22. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

23. We are not aware of any related-party relationships and transactions that are required to be recognized in the financial statements.



24. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the School Board's ability to record, process, summarize and report financial data.
25. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
26. We have properly implemented the recognition and disclosure requirements of GASB 84, *Fiduciary Activities*. The financial statements have been restated to recognize the implementation of this accounting standard.
27. Management has determined that a one-year availability period is appropriate for revenue recognition for all governmental fund revenues, except property taxes which is 60 days.
28. The School Board is not in a state of financial emergency based upon the conditions described in Section 218.503(1), Florida Statutes.
29. Management has assessed the financial condition of the School Board and noted no deteriorating financial condition.
30. We have evaluated the requirements of GASB No. 14 and 61 and have determined that the Charter Schools do not meet the "fiscal dependency" criteria for inclusion as a component unit in The School Board's financial statements.
31. We have evaluated the terms and conditions of the put options in connection with the School Board's certificate of participation debt series and concluded that they are not derivative instruments as defined in GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*.
32. During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

### **Supplementary Information**

33. With respect to supplementary information presented in relation to the basic financial statements as a whole:
  - a. We acknowledge our responsibility for the presentation of such information.
  - b. We believe such information, including its form and content, is fairly presented in accordance with U.S. GAAP, regulatory or contractual requirements, management's criteria, or other requirements.
  - c. The methods of measurement or presentation have not changed from those used in the prior period.
  - d. When supplementary information is not presented with the audited basic financial statements, we will make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

34. With respect to *management's discussion and analysis, budgetary comparison schedules, schedules of the proportionate share of net pension liability, schedule of changes in the net pension liability and related ratios, schedule of investment returns, schedules of contributions, and schedule of changes in the total other post-employment benefits liability and related ratios* (hereafter "required supplementary information") presented as required by U.S. GAAP to supplement the basic financial statements:

- a. We acknowledge our responsibility for the presentation of such required supplementary information.
- b. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by U.S. GAAP.
- c. The methods of measurement or presentation have not changed from those used in the prior period.

### **Compliance Considerations**

In connection with your audit conducted in accordance with *Government Auditing Standards*, we confirm that management:


- 35. Is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable financial reporting framework.
- 36. Is responsible for compliance with the laws, regulations and provisions of contracts and grant agreements applicable to the auditee.
- 37. Is not aware of any instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements.
- 38. Is responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 39. Acknowledges its responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud.
- 40. Is not aware of any identified or suspected fraud or noncompliance with provisions of laws, regulations, contracts, and grant agreements.
- 41. Has a process to track the status of audit findings and recommendations.

42. Has identified for the auditor previous audits, attestation engagements and other studies related to the objectives of the audit and whether related recommendations have been implemented, when applicable.
43. Is not aware of any investigations or legal proceedings that have been initiated with respect to the period under audit, except as disclosed to you in the legal letters provided.
44. Acknowledges its responsibilities as it relates to non-audit services performed by the auditor, including that it assumes all management responsibilities; that it oversees the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge or experience; that it evaluates the adequacy and results of the services performed; and that it accepts responsibility for the results of the services.

**The School Board of Miami-Dade County, Florida**

  
\_\_\_\_\_  
Mr. Alberto M. Carvalho  
*Superintendent of Schools*

  
\_\_\_\_\_  
Mr. Ron V. Steiger  
*Chief Financial Officer*

  
\_\_\_\_\_  
Ms. Daisy Naya, CPA  
*Controller*

  
\_\_\_\_\_  
Mr. Terrance Ferguson  
*Assistant Controller*