

**MINUTES OF THE SCHOOL BOARD AUDIT AND BUDGET ADVISORY COMMITTEE
OF MIAMI-DADE COUNTY PUBLIC SCHOOLS
REGULAR MEETING
December 5, 2022**

The School Board Audit and Budget Advisory Committee (the ABAC or the Committee) met on Tuesday, December 5, 2022, in the School Board Administration Building, SBAB Auditorium, at 1450 N.E. Second Avenue, Miami, Florida.

Call to Order

ABAC Chair, Mr. Christopher Norwood, J.D., called the meeting to order at 12:38 p.m. Mr. Norwood stated that this is a momentous occasion since there are new ABAC and School Board members. He then asked the new School Board Chair, Ms. Mari Tere Rojas, to bring them greetings.

Ms. Mari Tere Rojas thanked Mr. Norwood and the amazing team she was part of for so many years. She proceeded to introduce the new Board Members, Mr. Roberto J. Alonso, Mrs. Monica Colucci and Mr. Daniel Espino who are attending the ABAC meeting for the first time. Ms. Rojas thanked the Superintendent of Schools, Dr. Jose L. Dotres, and the members of staff at the meeting. She also thanked the new ABAC designee, School Board Member Dr. Steve Gallon III, and the alternate School Board Member, Ms. Lucia Baez-Geller.

Mr. Norwood asked the new ABAC Members, Mr. Anthony Atala, Mr. Juan Carlos Gonzalez and Ms. Susie Caceres to introduce themselves and their professional affiliations. Then the attendees, including non-voting members, introduced themselves.

Mr. Norwood stated that although School Board Members Dr. Steve Gallon and Ms. Lucia Baez-Geller, alternate, are the members of the ABAC, the new School Board Members are included in any discussion and are welcome to participate at all times.

1. Welcome and Introductions

ABAC Members Present
Mr. Christopher Norwood, J.D., ABAC Chair
Mr. Stephen Hunter Johnson, Esq., ABAC Vice Chair
Mr. Anthony Atala, Esq., ABAC Member
Mr. Juan del Busto, ABAC Member
Mr. Juan Carlos Gonzalez, CPA, ABAC Member (Virtual Attendance)
Ms. Anna Hochkammer, ABAC Member
Mr. Albert D. Lopez, CPA, ABAC Member
Mr. Julio C. Miranda, CPA, CFE, ABAC Member
Ms. Sharon Watson, ABAC Member
Ms. Lucia Baez-Geller, School Board Member/Alternate ABAC Member
Ms. Susan Caceres, Alternate ABAC Member
Mr. Ron Y. Steiger, Chief Financial Officer, Ex Officio (Non-Voting) Member of the ABAC
Mr. Jon Goodman, Chief Auditor
ABAC Members Absent
Ms. Chloe Bordon-Gillenwater, Esq., ABAC Member
Dr. Steve Gallon III, School Board Member/ABAC Member

Others in Attendance	
Ms. Mari Tere Rojas, School Board Chair	Mr. Michael Hernandez, CPA, Audit Supervisor, OMCA
Mr. Roberto J. Alonso, School Board Member	Mr. Alejandro Santana Alvarez, IT Auditor, OMCA
Mrs. Monica Colucci, School Board Member	Mr. Erick O. Blanco, Cybersecurity Analyst, OMCA
Mr. Daniel Espino, School Board Member	Mr. Theodore Knigge, Staff Auditor, OMCA
Ms. Luisa Santos, School Board Member	Ms. Jeannie Hernandez, FTE Staff Auditor, OMCA
Dr. Jose L. Dotres, Superintendent of Schools	Ms. Marlene Hernandez, School Bd. Chief of Staff
Mr. Walter J. Harvey, General Counsel	Mr. Rogelio Miret, School Bd. Chief of Staff
Mr. Jose Bueno, Chief of Staff	Mr. George Nuñez, School Bd. Chief of Staff
Mr. Luis E. Diaz, Chief Operating Officer	Ms. Nicole Reinoso, School Bd. Chief of Staff
Dr. John D. Pace III, Deputy Superintendent	Ms. Laquisha Williams, School Board Admin. Assistant
Ms. Tabitha Fazzino, Chief Intergovernmental Affairs & Family & Community Engagement Officer	Ms. Jaanelle Yee, School Board Administrative Assistant
	Ms. Latisha Green, Assistant to the Chief Auditor, OMCA
Ms. Tiffanie Pauline, Chief Strategy Officer	Ms. Elsa Berrios-Montijo, District Analyst, OMCA
Mr. Eugene P. Baker, Chief Information Officer, ITS	Mr. Al Chicoy, Creative Director, WLRN
Dr. Dwight A. Bernard, Assistant Superintendent	Mr. Adson Pressage, Director, WLRN
Dr. Jimmie L. Brown, Assistant Superintendent	Mr. John Stubbs, Director, WLRN
Dr. Verena Cabrera, Region Superintendent	Mr. Felix Jimenez, Inspector General
Mr. Steffond L. Cone, Assistant Superintendent	Mr. Hector Ortiz, Assistant Inspector General, OIG
Mr. Rene Mantilla, Assistant Superintendent	Mr. Thomas Knigge, Supervisory Agent, OIG
Ms. Charisma Montfort, Chief Procurement Officer	Ms. Julie Mondragon, Special Agent, OIG
Ms. Daisy Naya, Controller	Mr. Brett Friedman, Partner, RSM US LLP
Ms. Rafael Villalobos, Region Superintendent	Mr. Anil Harris, Sr. Manager, RSM US LLP
Ms. Tamara Wain, CPA, Assistant Chief Auditor, OMCA	Ms. Cynthia Borders-Byrd, CBorders-Byrd, CPA LLC
Mr. Gilberto Bonce, Region Administrative Director	Mr. Regino Rodriguez, Partner, HLB Gravier, LLP
Ms. Lucy Iturrey, Region Administrative Director	Mr. Ben Launerts, MECA Board
Ms. Maria G. Zabala, Administrative Director	Ms. Debra Simmons, Executive Director, MECA
Mr. Luis O. Baluja, CISA, District Director, OMCA	Mr. Raul Alvarez, Trimerge CPA
Ms. Angela E. Thomas-Dupree, District Director	
Mr. Reinaldo Montano, District Director, CIU	
Mr. Richard Yanez, CPA, District Director, OMCA	
Mr. Edward McAuliff, Executive Director	
Ms. Elvira M. Sanchez, Executive Director, OMCA	

2. Conduct Election of Chair and Vice Chair (ACTION)

Chief Auditor, Mr. Jon Goodman stated that this item is to conduct the election of the Chair and Vice Chair and opened the floor for nominations for the ABAC Chair.

ABAC Member Mr. Julio Miranda nominated Mr. Christopher Norwood for ABAC Chair and ABAC Vice Chair; Mr. Stephen Hunter Johnson seconded the nomination. The ABAC members unanimously voted to select Mr. Christopher Norwood for ABAC Chair. Mr. Goodman congratulated Mr. Norwood.

Mr. Norwood opened the floor for nominations for the ABAC Vice Chair. Mr. Stephen Hunter Johnson nominated himself and ABAC Member Mr. Juan del Busto seconded the nomination. The ABAC members unanimously voted to select Mr. Stephen Hunter Johnson for ABAC Vice Chair.

3. Approval of the Minutes of the Special School Board Audit and Budget Advisory Committee Meeting of September 19, 2022 (ACTION)

Chief Auditor, Mr. Jon Goodman, stated that the calendar was reviewed and considered School Board Meeting dates, holidays, statutory report dates etc., to propose the ABAC meeting dates for the remainder of the fiscal year. Mr. Goodman opened the floor for discussion and approval and pointed out that the dates are on item number four.

ABAC Chair, Mr. Christopher Norwood stated that the minutes, item number three, needed to be discussed before the meeting dates.

ABAC Vice Chair, Mr. Stephen Hunter Johnson proposed a friendly amendment to include the approval of the minutes with the approval of the meeting dates.

Mr. Norwood stated that the two items will be combined.

There being no questions or comments, a motion duly made by ABAC member Mr. Juan del Busto and seconded by ABAC Member Mr. Albert Lopez, was carried unanimously to approve and file the **Minutes of the School Board Audit and Budget Advisory Committee Meeting of September 19, 2022** and the **Audit and Budget Advisory Committee Meeting Dates for 2023.**

4. Proposed Audit and Budget Advisory Committee Meeting Dates for 2023 (ACTION)

Item number four, **the Audit and Budget Advisory Committee Meeting Dates for 2023**, was approved in conjunction with item number three, **Minutes of the School Board Audit and Budget Advisory Committee Meeting of September 19, 2022.**

5. Presentation of the Annual Comprehensive Financial Report (ACFR) and Auditor's Communication of Audit Results, For Fiscal Year Ended June 30, 2022 (ACTION)

The Chief Auditor, Mr. Jon Goodman, introduced Mr. Brett Friedman, Partner RSM US LLP to make the presentation of the Annual Comprehensive Financial Report (ACFR).

Mr. Friedman introduced himself and Mr. Anil Harris, RSM Senior Manager. Mr. Friedman highlighted that once every three years, the Florida Auditor General comes in

and conducts a compliance and financial audit and as a result, RSM does not conduct the compliance audit, which has to do with Federal Grants received by the District. He added that their audit is purely on the financial statements.

Mr. Friedman stated that on page four, the Executive Summary, it states that we performed our audit in accordance with Generally Accepted Auditing Standards and Government Auditing Standards issued by the Comptroller General of the United States. We also performed the examination of the School Board's compliance with Section 218 4 and 5 of Florida Statutes which deals with the investment of public funds. He stated that this large document is prepared by staff and it is our job to audit and issue an opinion. We issued an unmodified opinion which is the highest level that we can issue regarding the audit. He added that there is a new standard GASB 87, dealing with leases which affects every business. Every lease regardless of type, if 12 months or longer, has to be assessed and recorded.

Mr. Friedman stated that on page five, it indicates that at the beginning of the audit, they provided a plan, scope and timing and communication letter dated October 13. There were no significant changes to that plan. Mr. Friedman thanked Ms. Daisy Naya, Controller, and her team for being responsive which helped them get the audit done, right towards the end of November as planned. There is nothing that is deemed to be inappropriate or inaccurate accounting practices as far as accounting policies. He added that the only major change this year was GASB 87. He stated that there is nothing the School Board does that lacks proper authoritative guidance, they comply with all federal and state requirements and with the Florida Red Book requirements by the Florida Department of Education. Also, there were no significant or unusual transactions. We like to highlight in the summary accounting estimates because a lot of what comes to the District is either cash in or cash out, but the areas that have the most susceptibility to risk and to management override, are estimates.

Mr. Anil Harris referred to pages six through ten of the documents and stated that the first significant estimate is accounting for leases, which is a new standard that required the District to record the lease balances on the balance sheet for the first time this year. He continued explaining other significant estimates.

Mr. Anil Harris referred to pages 12 through 14 and stated that these pages provide the audit results for the year. There were no control deficiencies reported for the year. He referred to the appendix of the document and stated that there is a management letter that we prepared in accordance with State requirements and that is an unmodified opinion. There are no audit adjustments to the original trail balance and no past adjustments. There were no significant issues discussed with management and no disagreements with management during the course of the audit. We had access to records and individuals throughout the District and are not aware that management consulted with any other accountants as it relates to accounting matters. He added that in the appendix there is a representation letter signed by management to us.

ABAC Member Mr. Albert Lopez asked if, regarding GASB 87, there were any difficulties in adoption with that piece of literature.

Mr. Harris responded that no, management was very proactive in that process. They started months before the audit gathering information, valuing the liabilities and related receivables.

Mr. Lopez stated that there are some recent accounting pronouncements that are coming into play next year and in the following couple of years. He inquired if there is anything that should be noted or if we should start giving some attention sooner rather than later.

Mr. Friedman replied that the most significant one coming up would be GASB 96 which deals with software and subscriptions. Similar to GASB 87, that's going to have the most wide-reaching effect where they reach out to all the departments. One of the challenges is that it is a large organization, so you have to reach out to everybody, explain what you are looking for and get feedback, which they did that with a collaboration at the beginning.

Mr. Lopez congratulated the staff because when you look at the audit report and there are no audit adjustments, no control deficiencies, no significant difficulties in getting the audit done, it serves well what the staff is doing.

There being no questions or comments, a motion duly made by ABAC Vice Chair Mr. Stephen Hunter Johnson and seconded by ABAC Member Mr. Juan del Busto, was carried unanimously to approve and file the **Presentation of the Annual Comprehensive Financial Report (ACFR) and Auditor's Communication of Audit Results, For Fiscal Year Ended June 30, 2022.**

Mr. Lopez inquired if there are questions for the staff regarding the report itself, would we do that at this time.

ABAC Chair, Mr. Christopher Norwood stated that now would be the time to ask staff specifically about this report.

Mr. Lopez stated that he wants to understand on the general fund balance, it talks about deficiency of about \$100 million and about a decrease in revenues and increase in cost, mainly due to Covid. But then there is a relationship with the Federal Education Stabilization Fund and it talks about expenses of the previous year that will hit this year. He expressed that he would like to see if there could be a little more discussion around that.

Chief Financial Officer, Mr. Ron Steiger, stated that the District ended 2021-2022 in a strong financial position. We have a Board Policy that requires a fund balance of 5.5% and we ended this year at 10.8%, clearly really strong. What that line says in the budget narrative, really doesn't talk about the ACFR, it is talking about the future. In 2021-2022 there was a large increase in expenditures from the prior year. It talks about the federal stimulus funds or ESSER. He added that in the prior year, 2021, a lot of expenses on the general fund were moved over to ESSER and that was twofold. For one, there was a decision made as to whether we were going to have to make reductions going into the pandemic because we were in a negative position to balance the budget. The idea was to have some expenditures go to ESSER so we did not have to make those reductions. Secondly, there were transfers made to allow for some one-time expenses to the general fund. As those funds came back to the general funds in 2021-2022 it would look like a massive increase but in reality, it is solely because other expenses were coming off. That is why we say there is \$100 million deficit position. If I look at the recurring revenue versus recurring expenses and look at the expenses that popped over in 2021-2022, I see a future where I have my recurring expenses greater than my recurring revenue. He added that in general it is not something too concerning that happened to us and stated that he is okay because he knows there is a general fund reserve that is sufficient to be able to cover that. The problem is that you can only do that for so long. We knew going into this that we would be able to continue this for several years but, eventually that bill comes due. The question we are facing now is will that bill come through balancing the 2023-2024 budget or 2024-2025. A lot of it depends on Tallahassee, State decisions. Mr. Steiger stated that the reckoning will be coming over the next year, year and half but, is confident that this Board and administration will do what we have always done which is be transparent and have the conversation openly and honestly and make the decisions for the best interest of our community.

Mr. Lopez stated that at the time that we have to deal with the situation, decisions will need to be made as far as looking at overall costs and whether there needs to be a reduction of programs and so on. But, nothing that would be impacted at this point in time is what I am hearing.

Mr. Steiger stated that as the 2022-2023 budget shows, we will have an ending fund balance that continues to remain above the Board's policy and where funding should be for ending 2022-2023. He stated that he doesn't see a particular issue in this current year but, as we move forward to next year, then there is another conversation, and a lot will depend on how we end this year and what happens in Tallahassee.

Mr. Norwood stated that this item has been moved and voted on. Mr. Norwood also acknowledged School Board Member Ms. Luisa Santos who entered the room.

6. Presentation of the Audit of Educational Facilities Impact Fee Fund, Special-Purpose Financial Statements for FYE June 30, 2022 (ACTION)

The Chief Auditor, Mr. Jon Goodman, introduced Ms. Cynthia Borders-Byrd, CPA Managing Member of C Borders Byrd, CPA LLC to present the Annual Financial Statement Audit of the District's Educational Impact Fee Funds.

Ms. Borders-Byrd began by introducing herself to the ABAC members and stating that they have completed the external audit of the Educational Facilities Impact Fee Fund and issued an unmodified opinion dated November 16, 2022. Ms. Borders-Byrd thanked Controller, Ms. Daisy Naya and her team for assisting during the audit, Mr. Goodman and his team and also thanked the other departments in the school district who assisted in completing the audit on a timely basis.

Ms. Borders-Byrd went on to present her report as follows:

- No audit adjustments, no audit differences.
- No disagreements with management.
- Obtained a management representation letter dated November 16 signed by the CFO, the Controller and the Superintendent.
- To their knowledge there were no consultations with other independent auditors.
- No findings to report.

ABAC Member, Mr. Albert Lopez, inquired if any management letter points were issued. Ms. Borders-Byrd replied that no, there were no management recommendations.

Mr. Lopez stated that in reading the investment policy, investments can be made in any investment company that is registered under the 1940 Act, and that is a pretty wide net.

Chief Financial Officer, Mr. Ron Steiger stated the investment policy is relatively restrictive in what we are allowed to do. He added that there is some flexibility but the District is not investing in derivatives or anything like that. We are in very short-term positions and can adjust quickly. Mr. Steiger stated that, yes, in the language of the policy, there is a line that says we can invest in companies that are part of the 1940 Act however, it doesn't in any way go against the rest of the language in the policy which is extremely restrictive on what we are allowed to do with our funds.

Mr. Lopez stated that he can see that the investments made have been very conservative, but why have in a policy something that goes against what the policy is meant to do, which is to be conservative. He added, if the policy is there, somebody may

go ahead and make a certain decision, even though I am assuming you have an investment policy committee.

Mr. Steiger responded that we have a Treasury Advisory Committee that closely monitors what we do. He added that the language is statutory so there is language and statute that has that specific act. He added that he has never read the language in that policy to mean that we have complete authority to invest in any company that is covered under that.

Mr. Lopez asked if Mr. Steiger can look into it.

Mr. Steiger replied that sure, we will bring it up at the next Treasury Advisory Committee.

Mr. Goodman stated that he will also look into Mr. Lopez's questions and comments as well.

ABAC Member Mr. Juan del Busto stated that he feels we are being ultra conservative for the long term. Mr. del Busto inquired, regarding the Treasury Advisory Committee, if there is a formal meeting once a quarter, every six months. He stated that we have a lot of cash and maybe some long term layered investments and latter investments might help the District overall. He added that he is all for being conservative but, some of these funds can create more revenues. \$56 million, money market \$27 million and cash equivalents \$23 million, is ultra conservative and we need to look at long-term investing for some of those funds for the benefit of the District.

Mr. Steiger stated that yes, we have a standing Treasury Advisory Committee that meets as needed and then reports to the Board once annually. The Board Chair appoints a Board Member to the advisory committee. He added that we have never been Orange County and investing in things that would get us in trouble but, we have been more aggressive. Several years ago our Treasury Advisory Committee and our financial advisors PFM began to get very skeptical of what was coming in the market so we moved to a more conservative approach. He added that Broward's move was to put themselves in long term bond positions, where they lost \$10 million doing so. Mr. Steiger agreed with Mr. del Busto that the market is getting to a point where it is time to get slightly more aggressive.

Mr. del Busto added that with the economy moving as fast as it is, with a formal meeting of the Treasury Advisory Committee, it will force those members to look at what is happening in the economy and the environment. He added that he would set up a formal meeting every six months to look at the investment portion and where you go from there. He stated that some of the advisory boards on financials he is on, meet regularly.

Mr. Steiger stated that the Treasury Advisory Committee is there to advise us and they are a truly long term board, they look solely to the long term health of the District. We meet with our financial advisors extremely regularly and are always looking to make sure we are a step ahead. He added that what you are seeing reflected on our investment policy right now is a market that really forced us to become extremely conservative if we were going to protect the District.

Board/ABAC Member, Ms. Lucia Baez-Geller inquired if there is a way through which the public or stakeholders can opine on how these funds are being used, is there a public initiative for that.

Mr. Steiger responded that the School Board is the connection to the community and the Board has been extremely active in trying to advocate for us to make sure we protect

ourselves financially and look to expand revenue in many ways, including investment revenue. Investment revenue has been a common conversation with the Board when we balance the budget and we have seen times when our investment revenue goes as high as \$15 million, \$20 million and as low as less than \$1 million.

There being no additional questions or comments made by the Committee, a motion duly made by ABAC Member Mr. Albert Lopez, and seconded by ABAC Member Mr. Juan del Busto, carried unanimously to recommend that the **Presentation of the Audit of Educational Facilities Impact Fee Fund, Special-Purpose Financial Statements for FYE June 30, 2022**, be received and filed by the School Board.

7. Internal Audit Report - Selected Schools/Centers (ACTION)

Chief Auditor, Mr. Jon Goodman, introduced Ms. Tamara Wain, Assistant Chief Auditor, to present the item.

Ms. Wain presented the December school audit report consisting of the audit results of 35 schools and centers and briefly summarized the audit report as follows:

- The audit scope for six schools and centers reported was two fiscal years ended June 30, 2022.
- The audit scope for 29 schools and centers reported was one fiscal year ended June 30, 2022.
- At 25 of these schools and centers, there was a change of principal or administrator since the prior audit.
- At 33 of the 35 schools/centers included in the report, records were maintained in good order and in accordance with prescribed policies and procedures.
- At two schools, the audits disclosed that controls over the receipting of collections and disbursement function need improvement.
- Property inventory audits were conducted at all 35 schools/centers. Property inventory results were mostly satisfactory.

Ms. Wain concluded the presentation and indicated that her office and the Office of School Leadership and Performance were available to answer any questions related to the report.

ABAC Member, Mr. Albert Lopez, inquired when a sample is selected, like at Miami Southridge Senior, where there was a 91% error rate, is the sample increased to see how pervasive the issue is.

Ms. Wain replied that there is an initial sample and based on what is found with that sample, then the sample is increased. In the case of Miami Southridge Senior, we sampled 56 disbursements. These samples were over a two-year period and to the current period up to September 2022. Ms. Wain added that yes, we do increase the sample once we realize that there are issues to make sure it is not an isolated instance.

Mr. Lopez stated regarding Miami Southridge Senior with 91% error rate, there are steps that are taken place, supervision and training. He inquired, at what point do we say, we just don't have the right people and changes have to be made.

Dr. John D. Pace III, Deputy Superintendent from the Office of School Leadership and Performance stated that in this particular case, it is a novice treasurer who went through the Treasurer Apprentice Program in 2020 and since the significant findings, the treasurer has been in monthly training sessions since September. He added that we, the administration does not find that for this treasurer further action should be taken, besides the training. Also, the training from the Money Does Matter Program, eSAS Program, Treasurer Apprentice Program as well as the supervision from the Region, this treasurer will be able to make a turnaround.

Mr. Lopez stated that he understands they are focusing on the treasurer being new but at what point in time does the Principal take responsibility for the actions in the school. On the 91%, most if the items have to do with disbursements not having the proper purchase order. Mr. Lopez added that the Principal has a responsibility to sign off on disbursements. Doesn't the light go off and say, I haven't approved a purchase order for an X number of months, let me see what is going on.

Superintendent of Schools, Dr. Jose L. Dotres, stated that we have to be careful in discussing matters of personnel however, we look at everything as it relates to these audits. This school did not have prior audit findings, however, when we provide training and development regarding internal funds disbursements, principals are part of that equation. Dr. Dotres added that we look at the composite and there are manners and approaches that we take to address whatever deficiencies we are noticing across the board. And, if it relates to a personnel issue, we have to attend to that as well. Dr. Dotres stated that he would rather not elaborate in this particular case because of the prior records and believes that is a correction that can be done effectively via the Region and School Operations.

Mr. Lopez expressed that he hopes the point gets noted that these are tax dollars, and we are putting them at risk.

ABAC Member, Mr. Anthony Atala, inquired if there is anything that can be done to provide additional support so we don't have a failure rate that is so high such as 91% over two years. He inquired if we are doing anything in addition to the trainings, especially in this school where there in a new treasurer.

Dr. Dotres replied that there will be consistent monitoring moving forward to ensure the rhythm, the checking, the verification is set into motion. This audit did cover a two year span but this is a school that has not, in the prior, had audit findings. He added that we want to make sure that we understand on our end that we have to add a layer of monitoring to make sure that things are in place moving forward.

Mr. Atala inquired as to who or what are those parameters that we are putting in place to make sure that 2023 doesn't have the same failure rate.

Dr. Pace stated that there is the Money Does Matter Support Program which takes place throughout the year on a monthly basis. This is a program for any new principals, and principals, treasurers and registrars that have received audit findings. He added that through this program, principals and treasurers together are placed in courses based on the specific findings of their audit report as well as general audit findings, for a course of a 12-month period. Additionally, there is a District administrator that works closely with the Region offices to ensure oversight and supervision, as well as an internal review committee from the Region that goes to the schools to conduct internal reviews based on the findings and general findings.

Mr. Atala inquired if the Money Does Matter Program is for all schools and all principals and treasurers or is this only for the ones that have an issue such as Southridge and Dr. Michael Krop.

Dr. Pace responded that these are specifically for principals who have had audit exceptions such as Southridge and Dr. Krop. Also, the Region can assign a principal based on internal reviews.

ABAC Member Mr. Juan del Busto stated that all this training is well and good but hopes that we can return to both Dr. Michael Krop and Southridge in 6-12 months and do a complete independent audit because we cannot wait another two years to see if all this training and new procedures are in place. Mr. del Busto asked, do we go back and audit these schools.

Mr. Goodman replied that we do have a follow up process with all of our audits including school audits, typically it would be the next year, which is coming up. He added that once we identify an issue at a school by sampling it and come to a conclusion that there is a problem, I don't like to use extra time doing more sampling that is just going to support further what we already concluded. Mr. Goodman stated that he has finite auditing resources so once we go in and do a sufficient sample, and there are particular issues such as purchase orders not being completed timely, or no quotes on expenditures over \$1,000, we try to balance once we identify the issue. He added that yes, we will be following up on it in a timely fashion.

Mr. del Busto stated that he has never been involved ever, anywhere, in an audit where there is a 91% error rate. He added that training sounds great but, you need to go back as quickly as possible and see if corrective action has taken place.

Dr. Dotres expressed that we want to take ownership. He added that these errors and findings are taken seriously and appreciates a follow up from the audit department but, we have to take ownership and it is on us to do the monitoring, to do the follow up. Mr. Goodman coming in a follow up would be perfectly fine, but we cannot rely on a follow up by the auditors because we have to be serious of these issues, we have to own them and correct them on our own.

Mr. del Busto expressed that he agrees 100% but an objective independent review is always good to validate what you have done.

Mr. Goodman stated that it is our job, and we are the independent School Board auditors and as administration will be doing their work for corrective actions to make sure everything is proper, we will come back in a timely fashion and make sure from an independent viewpoint, we are comfortable that everything has been corrected.

Board/ABAC Member, Ms. Lucia Baez-Geller, inquired as to what happened to the \$7,400 at Dr. Michael Krop.

Ms. Wain replied that of the \$7,400 found in the sponsors classroom, most of the funds were refunded to the students since they were from collections for a cancelled drama event. She added that \$5,330 was refunded to students and parents. The school did not issue checks, they refunded directly from the cash, which is one of the items that was cited. \$1,560 had already been deposited prior to our audit, \$320 was given back to the Drama Booster Club and the remaining \$190 were still in the school's vault when we were conducting the audit and we had the school deposit those funds into the account.

Ms. Baez-Geller inquired if there is a criteria of how we expect a school to go from needs improvement to satisfactory.

Dr. Pace replied that the process is that after the training, they have followed up on items and they have to answer questions but beyond that, the expectation is that they correct and do not get audit exceptions. That is the ultimate outcome we expect from our Money

Does Matter Program. Each region does conduct internal reviews and the ultimate goal is to get no audit exceptions when the auditors conduct the audit for the schools.

ABAC Chair, Mr. Christopher Norwood inquired of the \$7,400 found in numerous places in the classroom, what is the context of that.

Mr. Goodman responded that when you receive money it is to be receipted and deposited with the school treasurer, but that did not happen. In the case of Dr. Michael Krop, we did get a referral from the administration and our auditors went out and there was money sitting there in the classroom. He added that to complicate matters, the field trip was cancelled and the process of giving refunds was not done properly. In this case, it had to do in part with one person who happened to be the teacher in charge of the club.

Mr. Atala inquired if there is any other training for the teachers or that the club moderators need to have in order to make sure that they are complying with the treasury requirements at the school.

Dr. Pace replied that there is training for the teachers through the treasurer and activity directors. He added that in this case, these findings relate to one person and cannot speak further since that person is under investigation, but they will go back and do the training. It was self-reported as Mr. Goodman stated and that is how the investigation came under way.

Mr. Atala inquired if there are repercussions for those that don't follow the procedures in place.

Dr. Pace replied there is a process and repercussions.

Mr. Atala inquired if there is any possibility of having shorter audits for these two schools specifically, the ones that are in more need of our attention. He stated that he is still on the 91% and asked if there is a way to have a more watchful eye for these two schools.

Mr. Goodman replied that yes, we have a process, we have been doing these audits for a long time and our auditing process is evolving. Aside from what the administration says they do and corrective action and training, from our vantage point we go in and conduct the audit. There is a process where we go back and do what it takes to make ourselves feel comfortable that the problem is no longer there and has been fixed.

There being no additional questions or comments made by the Committee, a motion duly made by ABAC Member Mr. Anthony Atala, and seconded by ABAC Member Mr. Albert Lopez, carried unanimously to recommend that the **Internal Audit Report – Selected Schools and Centers**, be received and filed by the School Board.

8. Internal Audit Report - Audit of Inventories as of June 30, 2022 (ACTION)

Chief Auditor, Mr. Jon Goodman introduced Mr. Richard Yanez, District Audit Director to present the Annual Audit of Inventories.

Mr. Yanez stated that as part of the Audit Plan they perform the inventory audit of five departments consisting of Food and Nutrition, Stores and Mail Distribution, Textbook Support Services, Maintenance Materials Management and the Department of Transportation. The audit consisted of observing the physical inventory counts, testing the counts and verification of prices. Mr. Yanez added that the inventories were fairly

stated and that there were no adverse findings. Mr. Yanez concluded his presentation, and he stated that he was prepared to address any questions.

ABAC Vice Chair Mr. Stephen Hunter Johnson inquired if the Driver's Education program vehicles are now categorized under the Department of Transportation because before, he is not sure that was the case which allowed them to fall into significant disrepair.

Chief of Staff, Mr. Jose Bueno, replied that those vehicles are assigned to the department division itself, not to Transportation, and would be part of the school's property. He added that each school would be responsible for that property.

Mr. Johnson stated that he knows that the administration corrected it by purchasing new vehicles however, because of the maintenance of the vehicles, it might be useful if D.O.T maintains a fleet, since they are maintaining hundreds of other vehicles.

Mr. Bueno responded, that yes, you are correct, these vehicles are fairly brand new therefore still have the three-year 36,000-mile warranty, or whatever it might be. He added that moving forward, after the warranty expires, an oil change, tires change, or anything to do with the car, we have our own mechanics that would fix our cars.

ABAC Member, Mr. Albert Lopez, stated that this is an old item that is more of a follow-up. He added that the autos would be part of fixed assets it would not qualify as inventory. It would not come through the inventory line item.

Mr. Goodman stated that the Inspector General's Office recently sent a memo to the School Board, and it will be presented at the next ABAC meeting in January. He added that it kind of finalizes the investigation that they performed and there has been a lot of progress made on the issues identified.

Superintendent of Schools, Dr. Jose L. Dotres, expressed to Mr. Johnson that he values the commentary by the committee members and what he recommended is something that we need to look at. He added that although inventory is reported or owned by the particular site, we will look at maybe an option where transportation can be an oversight of the conditions of these vehicles. We are going to take it back and possibly make a recommendation in terms of tying them both together.

Board/ABAC Member, Ms. Lucia Baez-Geller, stated that Textbook Support Services falls under this inventory and there is a huge issue with the textbooks being delayed. She added that she has middle schools that still don't have physical textbooks. Ms. Baez-Geller asked if we are aware on what this issue was and what we are doing to plan in advance to avoid this situation in the new year.

Dr. Dotres stated that the situation with the textbooks this year, unlike prior years, really isn't an inventory issue but because of the delay and the process that has been established by the state. He added that the issues that arose were about the content in some of the textbooks and by the time the questionable content surfaced, the state had to provide additional time for the publishers to make some of the revisions and edits. The reason for the delay was strictly as a result of having to wait for a new list of textbooks that we could possibly adopt. Had that not been the case, there would not have been delays in textbooks. It was not a result of our failure in ordering these textbooks late.

There being no additional questions or comments made by the Committee, a motion duly made by ABAC Member Mr. Juan del Busto, and seconded by ABAC Member Mr. Albert Lopez, carried unanimously to recommend that the **Internal Audit Report - Audit of Inventories as of June 30, 2022**, be received and filed by the School Board.

9. Review of Charter Schools' Financial Statements. Presentation for 42 of 145 Charter Schools' Audited Financial Statements Fiscal Year Ended June 30, 2022 (ACTION)

Chief Auditor, Mr. Jon Goodman introduced Mr. Michael Hernandez, Internal Audit Supervisor to present the report for 42 of 145 Charter Schools' Audited Financial Statements Fiscal Year Ended June 30, 2022.

Mr. Hernandez began by introducing himself and stating that we are presenting 42 of the 145 charter school audited financial statements for the fiscal year ended June 30, 2022. The 42 charter schools had no significant fiscal issues and stated that he would answer questions.

There being no additional questions or comments made by the Committee, a motion duly made by ABAC Member Mr. Albert Lopez, and seconded by ABAC Member Ms. Anna Hochkammer, carried unanimously to recommend that the **Review of Charter Schools' Financial Statements. Presentation for 42 of 145 Charter Schools' Audited Financial Statements Fiscal Year Ended June 30, 2022**, be received and filed by the School Board.

10. 2022 Annual Report - Office of the Inspector General-Miami-Dade County Public Schools (INFORMATIONAL)

The Chief Auditor Mr. Jon Goodman introduced Mr. Felix Jimenez, Inspector General to make the presentation.

Mr. Jimenez stated that the Miami Dade Public Schools Office of the Inspector General promotes good government and is committed to the students, staff and other stakeholders. We detect and deter waste, fraud and abuse in government spending and carry out investigations at all levels and review programs and practices to find further improvement. He introduced Mr. Tom Knigge, Supervisory Agent Office of Inspector General, to present a brief overview of the annual report in addition to some of the high-profile cases that are listed in the report. Mr. Jimenez added that also included are some investigations that arose from complaints that were made in good faith but the investigation determined that those allegations were either unfounded or unsubstantiated. Mr. Jimenez thanked Board Chair Ms. Rojas, other Board Members and members of this advisory committee for the continued support to our office and wished everyone happy holidays.

Mr. Knigge stated that he will give brief highlights of the annual report and added that the report starts with comments from the Inspector General. He thanked the School Board Members, administration and Dr. Dotres. Mr. Knigge stated that their mission is to detect, deter and prevent waste, fraud and mismanagement in the School District. He added that the Inspector General for the School Board requires an inter local agreement which expires on December 18th of this year. The School Board was presented in July with the 5th Amendment to the inter local agreement and was unanimously approved for another three year contract with the Inspector General's Office.

Mr. Knigge proceeded to introduce the newest member of the team, Ms. Julie Mondragon, Investigator. He stated that moving on with the report, you can see the operating budget which is very frugal and supports my staff which is myself, investigators, administrative assistant and also the support we get from the main office. Mr. Knigge added that we have a very small staff but the main office also provides services to the School Board. On page five, there are a number of ways to file complaints with our office. He added that an important thing to note in our complaint process is that we do accept anonymous complaints and whatever complaint comes through our office, there is some sort of action taken. It was important for us to show in the annual report the other types of complaints and investigations we do that find no wrongdoing. Mr. Knigge referred to page 18 and where it reflects their involvement with the Ethics Advisory Committee. We present these same major cases to the Ethics Advisory Committee so they have a chance to look at reports, weigh in and see if there is anything they may want to advise the District that might help improve the District. He then stated he would be happy to take any questions.

ABAC Member, Mr. Albert Lopez, asked regarding the Driver's Education Program \$6.2 million liability, where does it stand in this point in time because there has been some costs that have been going against the liability.

Mr. Knigge responded that it is still \$6.2 million and there has been discussion between the County and the District and he doesn't think there has been a resolution quite yet.

Chief Financial Officer, Mr. Ron Steiger, stated that we have spent a lot of the \$6.2 million already on expenses that the county theoretically will and should approve as an offset. But we haven't, despite efforts to get them to agree to it, to get them to say yes, we are still in ongoing conversations. He added that they gave us an upfront understanding of what they would view as an acceptable expense and we have been abiding by that. For example ranges, things that ordinarily would not be paid by drivers ed funds, we have had substantial expenses in that area and we know that the county will approve and make sure it gets counted towards the \$6.2 million. We just haven't gotten the formal okay from the department of Jimmy Morales.

Mr. Lopez inquired what is holding it up, is it the County.

Mr. Steiger stated that he does not necessarily view it as holding up. There is an understanding that the District will be spending funds and the county will say, yes, that meets the obligation of the \$6.2 million. Mr. Steiger added that when staff asks if we have the funds available to build that range, he has no hesitation and says yes.

Mr. Lopez inquired doesn't it create some urgency on our behalf. We have this liability and are taking all these actions to basically eliminate the liability but it just sits there and nothing happens. Mr. Lopez asked, my original question, where does the liability stand, it's been \$6.2 million for I don't know how many years.

Mr. Steiger replied, we know the liability is in the Inspector Generals report. We know fully well that we are spending money to make sure that what the Inspector General found is paid off. That is why I have no hesitation in making sure we approve those expenses, and you are right, there is an urgency on our part to do it and we have. He added that we have to wait for the county, but I am not waiting, I am making the expenses and we are going to make sure that the program is what in needs to be. I am confident that at the end of this process that the county will look at our expenses and say that the \$6.2 million was well spent and eliminate the liability but, I am not holding it up on my end just so the county gives me the okay.

Mr. Lopez stated that there is a third party, the county, saying you owe \$6.2 million and if it were me, and I know I have taken steps to reduce the liability, I would take the necessary steps to create some urgency and get rid of this matter. He added that if you told me this was six, eight months ago but, this has been ongoing for I think two years.

Mr. Steiger replied that the report was published in September 2021 and we just started talking with the county just about under a year ago. In dealing with Jimmy Morales in the county, and we have had high levels of conversations about what type of expenses will be accepted. I had a meeting with staff last week about sending another series of information to the county, and I will follow up again. If it goes on too much longer then I will probably go over my head in making sure things happen but, I am happy working with my counterparts in the county and comfortable that the steps that I am taking are enough that we are going to meet that obligation without any real problem.

Mr. Lopez requested that this item come back to us.

Mr. Goodman replied that we are going to bring this back, the issue of the \$6.2 million liability, to the January ABAC meeting.

Mr. Lopez added that there is another piece to this which is how this liability came about how administrators knowingly submitted ineligible expenses. He inquired as to what is the status, what is happening, what are the next steps, because there is some accountability here.

Chief of Staff, Mr. Jose Bueno, responded that this is something that we have looked at and continue to discuss. As the Superintendent said earlier, there are certain things that we do not discuss at this type of committee because they are personnel issues.

ABAC Member, Mr. Anthony Atala, stated that two things that concern him the most are lack of sanitation on a school bus and the unidentified workers on a school site. He added that at the schools he has visited, it has been very tough to walk more than three steps and not get stopped by a handful of people. Mr. Atala inquired if we are doing something to prevent this. Although it has nothing to do with budget, auditing, it has everything to do with our kids' safety and security, knowing what has happened in different schools around the country. Mr. Atala asked if we are doing anything to protect the kids from the sanitation on the school bus, which they are supposed to be safe in, and from people that are not supposed to be there.

Mr. Bueno stated that once the OIG brought to our attention, we took action in making sure that those buses would get cleaned aside from that third company that we had.

Mr. Atala thanked OIG because what they do should be commended. He also thanked Mr. Bueno for his responses and added that there is more to it, not just the buses but also the safety at the school site.

Mr. Lopez stated that we are jumping to another matter which is the cleanliness and sanitation however, he still wants to have a follow up on the driver education program.

Mr. Bueno asked if Mr. Atala could elaborate on what he means by the safety.

Mr. Atala stated that what has been presented to us include unidentified workers on a school site, on page 10 of the OIG report.

Mr. Bueno stated that he believes what the report illustrates is having individuals at our bus station that were not identified. But as it related to our schools, I do not believe that any of those individuals were at any of our schools. He added that he may be wrong but doesn't believe so.

Mr. Knigge stated that there is mention of identification of construction workers on a school site. It is different from the busing issue. There was some concern about workers being at the schools without identification. The principal did have a control point for these persons to come into the school. There was some concern by the workers about wearing the badge and getting it caught and the principal decided to let them enter the property as long as they wear company shirts. Mr. Knigge added that they were vetted through a central point before they came on the property. He added that the issue was still in violation of the Jessica Lunsford Act where they are supposed to have an ID. We were somewhat comfortable that at least they were checked in at a central point. But, there was some mixture of students with construction workers because they were working on buildings however, they did have some fencing which is allowable under the Jessica Lunsford Act. Mr. Knigge added that when you look at this report on this particular school, they were at the tail end, they were supposed to finish before the summer ended. We did find some concern with that.

Mr. Atala stated that he doesn't necessarily agree with the wearing of a t-shirt or a construction shirt to say, okay, this person is safe. They could lend their shirt to somebody else or to someone who is not vetted. He added that there needs to be additional oversight because wearing a company's t-shirt should not give you a free pass to wander around a school.

Chief Operating Officer, Mr. Luis Diaz, stated that there are a lot of processes that take place in Transportation, Food and Nutrition. You have bus drivers that report to supervisors, that report to site coordinators and all the protocols and systems that are in place come through professional development on site monitoring. There are only seven hubs a lot of supervisors are at those hubs, who were able to do spot checks on a daily basis. He added that reports such as this allow us to enhance the process that we already had and propel to enhance further to make sure that sanitation is at the upmost every day, not just during Covid times. He added it's a day to day monitoring, professional development and ensuring that we have everything and anything that we need to make sure our schools and buses are safe and sanitized.

Mr. Lopez stated that he understands the comment that was made that certain personnel issues cannot be discussed here. However, this committee has responsibility over budgetary and financial control issues. He added that individuals make up that control system and if they are not doing their job or doing things that are not ethical, it should be discussed in the committee. He expressed that he would accept an answer that would say, we are looking into this matter, and either privately or some other form comes back to the committee. But, to say we can't talk about it and let's move on, is not acceptable to me and should not be acceptable to the committee.

Mr. Goodman stated that was duly noted.

Mr. Knigge stated that regarding the \$6.2 million, they are still monitoring that process and will still be involved.

Mr. Lopez stated that in the FNEI matter, there was an OIG recommendation towards that donation basically saying that donations should not be accepted. The FNEI Board disregarded that recommendation and accepted the donation. Mr. Lopez inquired, as to what the rationale was to disregard the OIG's recommendation and just move forward.

Mr. Knigge responded that the rationale was that they felt if they didn't accept it, it would lead people to believe that they actually did something wrong and they felt they didn't do anything wrong, so they thought they should accept the money. Part two of that, they believed that the teachers deserved something for all the hardship they went through in trying to get that system up and running before school started.

Mr. Lopez asked if we agree that nothing was done wrong, therefore there is no repercussion to us.

Mr. Knigge responded that the OIG report reflected that we felt something was not quite right and that is why we recommended that the money be given back. The FNEI Board thought differently and voted that way.

Mr. Lopez inquired if at this point in time there is any risk to us.

Mr. Knigge responded that from the IG's point it was a one-time incident. He stated that he does not see this recurring, there were a lot of recommendations made on that report. They accepted all the other recommendations and made some changes to eliminate those kind of things and the School Board itself had passed some policy changes to ensure that it does not happen again. He stated that he thinks the proper action has been taken as far as any future liability.

Mr. Atala stated that the alleged ghost employee was an assistant principal and inquired if there was anything investigated as to whether or not the role that the alleged ghost employee was doing, was in a pay bracket less than and assistant principal.

Mr. Knigge replied that not per se but, it seems what she was doing was preapproved through the District. When someone looks and doesn't see someone sitting at a desk, the impression is there is something amiss. He added that when they went back and reviewed all the paperwork and talked to the principal, all had been approved. From the interview with the assistant principal, she was putting in more hours than she was getting paid for.

ABAC Chair Mr. Christopher Norwood informed the new ABAC Members that this is an annual report and these reports are provided to us in detail. He asked the Chief Auditor to provide context to the OIG's role.

Mr. Goodman explained that the IG is contracted with the School Board and focuses on fraud, waste and abuse. He added that we work closely with them and some of our duties overlap a little bit. But the IG is primarily focused on outright fraud, waste and abuse as a result of tips, referrals and complaints. Ours would be more financial statement audits, fiscal oversight of the District and efficiency and effectiveness of operations. They have a contract that was recently renewed for three years.

Mr. Knigge added that most of the OIG investigators are former law enforcement, so we have a different view of the world. We are investigators not auditors, so we have a different type of view of the world.

Mr. Atala expressed that he is aware of the OIG and their responsibility. He added that when we are given a report such as this and things are glaring, it is important to bring up.

No other questions or comments were posed. This item was presented for information purposes only; therefore, no transmittal to the School Board by the ABAC is required.

11. State of Florida Auditor General Report - Report No. 2023-026, Issued September 2022 - Administration of the Florida Bright Futures Scholarship Program and Student Assistance Grant Programs (ACTION)

Chief Auditor, Mr. Jon Goodman introduced the item and stated that this is an audit by the Florida Auditor General of various Florida scholarships and student assistance grant programs at the state's public universities, colleges and school districts. He added that the report contained four findings of which only one involved Miami-Dade County Public Schools. The only portion of the audit applicable to M-DCPS was the audit of the Florida Post-secondary Career Education Program. There was not always statutory or policy compliance regarding timely submissions to the Florida Department of Education of disbursements, enrollment reports or certain grade and hours reports. Procedural difficulties due to Covid-19 were cited as the primary reason for the delayed submittal of the reports. The District agreed with the finding, and to enhance procedures, will conduct periodic trainings and meet with financial aide officers at the District's seven technical colleges. Mr. Goodman opened the floor for questions or comments.

ABAC Member Mr. Albert Lopez expressed that he is trying to understand if these are outside entities of M-DCPS or a part of and how these findings interrelate with us. He added that it talks about different colleges and universities.

Mr. Goodman stated that the State Auditor General audited grant related and student assistance programs that were applicable to students attending 12 state universities, 23 colleges and 67 school districts. The State Auditor General took a sample of those colleges, universities and school districts and they included a sample of Miami-Dade because it is the largest school district. They found at seven technical schools, some level of non-compliance with submitting the applicable reports to the Florida Department of Education in a timely fashion.

ABAC Chair Mr. Christopher Norwood stated that the reason why M-DCPS was part of this statewide audit is because we have technical schools that qualify as post-secondary institutions.

Superintendent of Schools Dr. Jose L. Dotres replied that yes, this particular report was discussed with Mr. Goodman and it covers multiple organizations. He stated that we really are escalating the profile of our technical colleges in a very significant way. We have the leader here, Mr. Rene Mantilla, that is doing a terrific job. Dr. Dotres stated that Miami-Dade County has the largest number of technical colleges in the state. Mr. Steiger, Mr. Goodman and himself had an interesting conversation because they are not used to receiving reports that are audit inclined from multiple organizations. He stated that he is thankful that the committee is looking at the report as well.

ABAC Member Mr. Anthony Atala stated that he saw the letters that were attached to the report and inquired if all of these institutions were also untimely in the submission of necessary documentation.

Mr. Goodman replied that all of them had some sort of an exception, whether it was delinquent reporting or something similar. He added that most of them had more than M-DCPS.

Mr. Atala inquired if this is something that will be or has been remedied.

Mr. Goodman responded that we follow-up on every audit that comes here and we will be following up.

Mr. Atala asked if there is a due date that the State requires.

Mr. Goodman replied that on the last page of the report, you see our response to them. He added that we have not been apprised as to when the State auditors are going to come back and do their own follow-up. They may not do that at an individual level as far as each district but, government auditing standards would require them to follow-up on the audit overall, which was an audit of the state's programs. He added that his office will follow-up to see where we are at in a period of time, probably six months.

Assistant Superintendent from the Office of Post-Secondary Career and Technical Education, Mr. Rene Mantilla, stated that we have already implemented a response and once we learned of the finding, we put into place an action plan. There is a new individual that oversees and reviews extensively what happens at the seven technical colleges, Dr. Angela Thomas-Dupree, District Director. He added that she has already met with financial aid officers and principals regarding this matter. She meets with them monthly to remedy this issue regarding timely hourly reports and grade reports and continuously reviews student folders. School site financial aid officers receive electric notification from her office reminding them to begin the process. The state required 30 days; we have it down to five days.

There being no additional questions or comments made by the Committee, a motion duly made by ABAC Member Mr. Albert Lopez, and seconded by ABAC Member Mr. Juan del Busto, carried unanimously to recommend that the **State of Florida Auditor General Report - Report No. 2023-026, Issued September 2022 - Administration of the Florida Bright Futures Scholarship Program and Student Assistance Grant Programs**, be received and filed by the School Board.

12. Office of Management and Compliance Audit's Activity/Status Report (INFORMATIONAL)

Chief Auditor, Mr. Jon Goodman introduced the item and stated that this report details completed projects and the status of those in progress.

Mr. Goodman introduced Mr. Theodore Knigge, who has joined the office as a Staff Auditor II. Mr. Knigge holds a Bachelor's degree in Finance from Florida International University.

Mr. Goodman also introduced Ms. Jeannie Hernandez, who has joined the office as an FTE Staff auditor, and holds an Associate's Degree in Special Education from Miami Dade College.

Mr. Goodman stated that he is prepared to address any questions or comments the committee members may have regarding the Activity Report.

No questions or comments were posed. This item was presented for information purposes only; therefore, no transmittal to the School Board by the ABAC is required.

13. School Board Agenda Item H-12, School Environmental Data Analysis – Proposed Audit of Student Discipline Reporting, School Board Meeting of October 19, 2022 (INFORMATIONAL)

Chief Auditor, Mr. Jon Goodman introduced the item and stated that this item was proffered at the School Board meeting of October 19 by current School Board Chair Ms. Mari Tere Rojas. He stated that audits related to school security issues had been previously raised and discussed by ABAC Vice-Chair Mr. Hunter Johnson and the committee members in earlier ABAC meetings. He added that this item directs the Chief Auditor to conduct an audit of the District School Environmental Safety Incident

Reporting process including the objective of determining the adequacy of controls to ensure the completeness, accuracy, and integrity of student disciplinary reporting. Mr. Goodman stated that he plans on commencing this audit in February or March and is prepared to address any questions or comments.

ABAC Vice Chair Hunter Johnson thanked Mr. Goodman and the School Board for considering the audit.

ABAC Member Mr. Albert Lopez stated that there was an IT committee that was meeting and having discussions around cyber security and inquired where does that stand. Have they been meeting, will there be a report that will be coming back to this committee.

Mr. Goodman inquired if he was referring to the activity report.

Mr. Lopez stated that he will wait until the old business item.

Board Chair Ms. Mari Tere Rojas stated that this is the Board item she proffered and was approved by her colleagues on the Board. It is the Technology Advisory Committee where every single Board Member has the opportunity to have a representative of their choosing. They meet regularly and are doing an exemplary job revisiting what we currently are doing in reference to cyber security and other areas. There will be a follow-up with that final outcome once they have completed their process. Ms. Rojas stated that she has attended numerous meetings and is impressed with the caliber of individuals that are on that particular committee. She added that the reason the Technology Advisory Committee was created was so they could give guidance to the School Board because there was already an advisory committee which would give guidance to the Superintendent and his team.

ABAC Chair Mr. Christopher Norwood asked Ms. Rojas to address the school environmental data analysis item.

Ms. Mari Tere Rojas responded that Mr. Goodman is going to conduct that. He has not done it yet.

Mr. Goodman stated that H-12 was proffered by Board Chair Ms. Mari Tere Rojas at the October 19 meeting. That directs the Chief Auditor to conduct an audit of the School Environmental Safety Report process to ensure that various crime reporting, and disciplinary infractions are being reported accurately and completely. He added that this is an issue that was raised in the grand jury report from the state not too long ago and it impacts just about every large school district in the country. It was focused heavily on Broward's program but it also referenced three or four other school districts, including us in the report. Mr. Goodman stated that this issue of reporting disciplinary infractions accurately has been around for a long time, more than 20 years. This audit will commence in February or March and we are going to test and ensure that the process in place has integrity and is complete and accurate so that we are not under reporting disciplinary infractions.

No other questions or comments were posed. This item was presented for information purposes only; therefore, no transmittal to the School Board by the ABAC is required.

OLD BUSINESS

Follow-Up - ABAC of September 19, 2022 (INFORMATIONAL)

Magnet Educational Choice Association (MECA)

Chief Auditor, Mr. Jon Goodman stated that the direct support organization has had fiscal and governance issues for more than several years and ABAC and School Board Members have been requesting a five-year plan to address MECA's fiscal issues and viability. He expressed that he is happy to report that after several productive meetings, since the last ABAC meeting, MECA has submitted a five-year plan which we consider sound and viable. Mr. Goodman thanked Mr. Jose Bueno and his team as well as the officials from MECA for facilitating this outcome. He added that present we have officials from MECA, applicable school District administration and OMCA staff prepared to answer any questions or comments from the committee members.

ABAC Chair Mr. Christopher Norwood asked ABAC Member Mr. Albert Lopez if his question on technology was answered.

Mr. Lopez replied that it was addressed.

ABAC Member Mr. Juan del Busto stated he wants to comment on cybersecurity. He inquired if Mr. Sergio Piñon, Director of Security for Ocean Bank, still participated in the group. He added that what we continue to see in the cybersecurity space is very scary and some of the latest targets, are our educational and health institutions. Mr. del Busto stated that he has said it a few times, we have to be on top of this daily. Do not think what we did yesterday will work today, we have to look at what is going to work tomorrow.

Chief Information Officer, ITS, Mr. Gene Baker responded that Mr. Piñon is still part of the committee and is an asset and active player.

Mr. Juan del Busto stated that Mr. Piñon has contacts in the FBI, InfraGard uses him, whatever he finds out is what is happening now.

Mr. Baker added that he is a critical asset to the committee.

ABAC Member, Mr. Albert Lopez asked if there will be a cybersecurity report with activities, summaries coming back to us.

Mr. Goodman stated that we contracted a firm to serve as an adjunct to our office regarding PEN test and cybersecurity risk assessment. They are in the process of doing that right now and are finalizing the report. We will be presenting it in a summary fashion at the next ABAC meeting. He added that for our contribution, we are going to be doing PEN tests, a cyber risk assessment and some other IT and cyber activities. The administration, Mr. Baker and team are also doing their own thing when it comes to cybersecurity. Mr. Goodman expressed that we fully understand the gravity of cybersecurity these days and the Superintendent, Mr. Baker and team, and Mr. Bueno are also doing a lot to try to prevent any cyberattacks.

No other questions or comments were posed. This item was presented for information purposes only; therefore, no transmittal to the School Board by the ABAC is required.

NEW BUSINESS

ABAC Member Mr. Lopez stated that we talked about a couple of matters today regarding Southridge Sr., Dr. Michael Krop, the Drivers Education Program. He added that these are matters that he would like to see come back to us for follow-up.

Chief Auditor, Mr. Jon Goodman responded, absolutely.

ADJOURNMENT

Since there was no further business to come before the ABAC, the committee adjourned at 3:03 PM.