



Internal Audit Report



Selected Schools



*Financial Statements Were Fairly Stated
At All Schools;*

*However, At Three Schools, Controls
Over The Bookkeeping Function, The
Safeguarding of Internal Funds
Records, The Yearbook Activity, And
School Site IT Data/Network Security
Need Improvement.*

June 2009

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

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Miami-Dade County Public Schools

giving our students the world

Superintendent of Schools
Alberto M. Carvalho

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June 15, 2009

Members of The School Board of Miami-Dade County, Florida
Members of The School Board Audit Committee
Mr. Alberto M. Carvalho, Superintendent of Schools

Ladies and Gentlemen:

This report includes the audit results of 66 schools. Of this total, four schools report to the North Regional Center, 60 schools report to the South Central Regional Center, and two are special education centers that report to the district's Division of Special Education. We are also including the audit results of the Dade County Athletic Equalization Fund. The audit period for the schools and the fund included herein is one year ended June 30, 2008.

The main objectives of these audits were to express an opinion on the financial statements of the schools, evaluate compliance with District policies and procedures, and ensure that assets are properly safeguarded. The audits included a review of internal funds records and property at all the schools. On a selected basis, we reviewed payroll records and procedures, credit card purchases, FTE reporting and student records, and school site IT controls. For the fund, our objective was to ensure compliance with district procedures.

For the year ended June 30, 2008, combined internal fund receipts and disbursements at the 66 schools amounted to approximately \$15.7 million and \$15.8 million, respectively; while total combined cash and investments amounted to almost \$3.4 million. Property results for 77 schools reported herein, which include the 66 schools focused in this report, disclosed a total combined inventory of approximately \$45.2 million. FTE funding reviewed amounted to approximately \$11.2 million.

Our audits disclosed that the financial statements at the schools reported herein were fairly stated. At 63 of the 66 schools, we found general compliance with prescribed policies and procedures, and site records were maintained in good order. However, at three schools, controls over the bookkeeping function, the safeguarding of internal funds records, the yearbook activity, and school site IT data/network security need improvement. The Dade County Athletic Equalization Fund was compliant with established procedures. Property audit results were satisfactory at 74 of the 77 schools being reported.

The audit findings were discussed with school, Regional Center and District administrations, and responses are included in this report. In closing, we would like to thank the schools' staff and administration for the cooperation and consideration provided to the audit staff during the performance of these audits.

Sincerely,

Jose F. Montes de Oca, CPA
Interim Chief Auditor

Office of Management and Compliance Audits

JFM:mtg

TABLE OF CONTENTS

	<u>Page Number</u>
EXECUTIVE SUMMARY	1
CONDENSED ANNUAL FINANCIAL REPORTS.....	7
INTERNAL CONTROLS RATING	13
SUMMARY SCHEDULE OF AUDIT FINDINGS	19
LIST OF SCHOOL PRINCIPALS.....	23
PROPERTY SCHEDULES	27
FINDINGS AND RECOMMENDATIONS	
<u>INTERNAL FUNDS</u>	
1. Bookkeeping Function Revealed Discrepancies <i>Parkway Elementary</i>	33
2. Inadequate Safeguarding Of Internal Funds Records <i>Miami Beach Senior</i>	36
3. Discrepancies Found In Yearbook Reports, Yearbooks Inventory, And Yearbook Collections <i>Miami Beach Senior</i>	38
<u>SCHOOL SITE IT SECURITY</u>	
4. IT Function At School Site Not Properly Monitored And Maintained <i>North Miami Beach Senior</i>	40

TABLE OF CONTENTS (Continued)

	Page
OBJECTIVES, SCOPE AND METHODOLOGY	43
BACKGROUND	45
ORGANIZATIONAL CHART	50
APPENDIX - MANAGEMENT'S RESPONSE	
Parkway Elementary	51
Miami Beach Senior	53
North Miami Beach Senior (School Site IT).....	56
North Miami Beach Senior (Plant Security).....	58

At-A-Glance Audit Results

- ◆ **66 Schools
And the Dade
County
Athletic
Equalization
Fund Were
Reviewed**

- ◆ **63 Of 66
Schools Were
In Compliance**

- ◆ **Three Schools
Reported Audit
Findings In The
Area Of
Internal Funds
And School
Site
Network/Data
Security.**

EXECUTIVE SUMMARY

The Office of Management and Compliance Audits has completed the audits of 66 schools. Of this total, four schools report to the North Regional Center, 60 schools report to the South Central Regional Center, and two special education centers report to the district's Division of Special Education. In addition to the schools, we are reporting the audit results of the Dade County Athletic Equalization Fund, which was housed in the internal funds of Coral Gables Senior. The audit period for all the schools included herein and the Fund is one year ended June 30, 2008.

The audits disclosed that records were maintained in good order and in accordance with prescribed policies and procedures at 63 of the 66 schools reported herein and the Equalization Fund. The three schools with reported audit findings are:

1. Parkway Elementary
2. Miami Beach Senior
3. North Miami Beach Senior

At these schools, we determined that controls over the bookkeeping function, the safeguarding of internal funds records, the yearbook activity, and school site IT data/network security need improvement. Refer to Summary Schedule of Audit Findings on pages 19-22.

Notwithstanding the conditions and findings reported herein, at all 66 schools, the financial statements present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2007-08 fiscal year, on the cash basis of accounting.

As of June 30, 2008, the internal control structure at the schools generally functioned as designed by the District and implemented by the school administration, except for those conditions reported at the three aforementioned schools. At the Dade County Athletic Equalization Fund, the internal control structure functioned as required.

As of June 30, 2008, for all 66 schools reported herein, total combined receipts and disbursements amounted to \$15,719,376 and \$15,783,294, respectively; while total combined cash and investments amounted to \$3,384,692.

When conditions came to our attention that were deemed non-reportable, because they were immaterial and inconsequential, they were nevertheless, discussed with management for their information and follow-up.

INTERNAL FUNDS

Of 66 schools, 64 were in compliance with the procedures established in the *Manual of Internal Fund Accounting*.

At Parkway Elementary, we identified discrepancies in the monies handled by the current bookkeeper, who has been employed at this school since February 2008.

Discrepancies included collections that were deposited late, and internal funds' financial records that were incomplete or that were questionable. The bookkeeper was unable to provide an explanation for the deposit delays. All discrepancies surfaced from school activities conducted during the current year up to April 2009. Our review of these activities did not disclose any instances of monies that were missing.

At Miami Beach Senior, the internal funds' financial records for the months of November and December 2007 were missing. Our extended review of deposits and disbursements did not disclose any discrepancies or irregularities in the monies collected or disbursed. Yearbook reports contained errors and some yearbooks could not be accounted for.

At-A-Glance Audit Results

- ◆ **Financial Statements Fairly Presented At All Schools**

- ◆ **Faulty Bookkeeping Function at Parkway Elementary**

- ◆ **Missing Internal Funds Records, Erroneous Yearbook Reports And Unaccounted Yearbooks At Miami Beach Senior.**

At-A-Glance Audit Results

- ◆ Payroll Records And Procedures Reviewed At 17 Of 66 Schools

- ◆ Schools Tested Were Compliant With Payroll Procedures

- ◆ Property Inventories Reported For 77 Schools With Minor Discrepancies.

PAYROLL

We reviewed payroll records and procedures at 17 of the 66 schools included herein. They are as follows:

- Bent Tree Elementary
- Blue Lakes Elementary
- Coral Terrace Elementary
- Dr. Carlos J. Finlay Elementary
- Joella C. Good Elementary
- Greenglade Elementary
- Eneida M. Hartner Elementary
- Ada Merritt K-8 Center
- Silver Bluff Elementary
- Tropical Elementary
- Henry S. West Laboratory Elementary
- George W. Carver Middle
- West Miami Middle
- Coral Gables Senior
- Miami Beach Senior
- South Miami Senior
- Southwest Miami Senior

At all 17 schools, there was general compliance with the procedures established in the *Payroll Processing Procedures Manual*.

PROPERTY

The results of physical inventories of property items with an individual cost of \$1,000 or more are reported for all 66 schools included herein. We are also including the inventory results of 11 other schools whose property inventory results were completed as of this publication. Approximately \$45.2 million was inventoried at these 77 schools.

Property results indicated that 74 of the 77 schools were in compliance with the *Manual of Property Control Procedures*. Only four items with an acquisition cost of \$6,497 and a depreciated value of \$514 were reported “unlocated” at three schools. Refer to Property Schedules on pages 27-31.

Property losses reported through the Plant Security Report process showed 31 items at a cost of \$54,074 and a depreciated value of \$22,203 reported missing at 13 schools. Refer to Property Schedule on page 32. These losses resulted from theft and vandalism incidents reported by the schools, which mostly concentrated in the area of computer equipment. The principal at North Miami Beach Senior provided an explanation as to the reason for the higher losses at his school. Refer to page 58 of Appendix.

Refer to Plant Security Schedule on page 32 for a summary of results.

PURCHASING CREDIT CARD (P-CARD)

We reviewed the P-Card Program's procedures and records at the following four schools:

- Southside Elementary
- Miami Beach Senior
- New World School Of The Arts Senior
- North Miami Beach Senior

Our review disclosed that the schools listed above generally complied with the *Purchasing Credit Card Program Policies & Procedures Manual*.

FULL-TIME-EQUIVALENT (FTE) FUNDING

The following two schools were selected for these audits:

School	FTE Funding Reported
South Miami Senior	\$ 5,226,157
Southwest Miami Senior	5,950,948
Total FTE Funding	\$ 11,177,105

The total FTE funding amounted to approximately \$11.2 million for the two schools combined. FY 2008-09 FTE Survey Period 3 was reviewed. Both schools were generally compliant with FTE recordkeeping and reporting procedures.

At-A-Glance Audit Results

- ◆ **Purchasing Credit Card Program And Procedures Reviewed At Four Schools**
- ◆ **Schools Generally Complied With The *P-Card Program Policies & Procedures***
- ◆ **FTE Funding Amounted To Approximately \$11.2 Million For The Two Schools**
- ◆ **Both Schools Generally Compliant With FTE Recordkeeping And Reporting Procedures.**

At-A-Glance Audit Results

- ◆ **Data Security Report Reviewed At 15 Schools**

- ◆ **School Site IT Security Assessment Verified At Four Schools**

- ◆ **All But One School Generally Compliant With School Site IT Security Guidelines.**

DATA SECURITY MANAGEMENT REPORT AND SCHOOL SITE IT SECURITY AUDIT CHECKLIST

We reviewed the report titled “Authorized Applications for Employees by Locations Report” at 15 schools. At four of these schools, we physically verified the information provided by the schools on the School Site IT Security Assessment.

- George W. Carver Elementary
- Citrus Grove Elementary
- Greenglade Elementary
- Ada Merritt K-8 Center
- Riverside Elementary
- Southside Elementary
- **Henry S. West Laboratory Elementary¹**
- Ponce de Leon Middle
- Riviera Middle
- **W. R. Thomas Middle¹**
- **Coral Gables Senior¹**
- Miami Beach Senior
- **North Miami Beach Senior¹**
- Academy for Community Education
- School for Applied Technology

Except for one school, there was general compliance regarding staff’s access to system applications and school site IT security.

¹ School Site IT Security audit was conducted at this school (4 schools). Findings in this area were cited at North Miami Beach Senior High School.

At North Miami Beach Senior, the principal had not reviewed the most recent "Authorized Applications for Employees by Locations" report to ensure that staff's access to system applications was appropriate. Consequently, we found staff members that were granted access to system applications not allowed under current guidelines. Our review of computer equipment revealed machines without district antivirus installed, not part of the DADESCHOOLS domain, or with unauthorized games installed. In addition, the principal had not reviewed the MDCPS Network Security Standards with the technician, the management of the software licensing at the school was deficient, local administrator password(s) were not on file, the school had not produced a disaster recovery plan, and there was no evidence of ongoing data backups.

DADE COUNTY ATHLETIC EQUALIZATION FUND

Our review of the Fund's activity disclosed that it was properly administered and its activity was compliant with established requirements.

This Fund was established by the district to aid the athletic programs at senior high schools in financial distress. For the 2007-08 fiscal year, it was housed in the internal funds of Coral Gables Senior High School.

At June 30, 2008, the fund balance amounted to \$17,119, while the unpaid loan balance amounted to \$12,000. All outstanding loans were paid according to schedule. No loans were advanced to schools during the 2007-08 fiscal year.

AUDIT OPINION

The following table summarizes total cash receipts and disbursements, and financial position of cash and investments at June 30, 2008 for all 66 schools reported herein. It also provides the audit opinion regarding the schools' financial statements:

At-A-Glance Audit Results

- ◆ **At North Miami Beach Senior, Various Non-Compliance Issues Related To Network And Data Security Were Identified**

- ◆ **At Year-End, The Dade County Athletic Equalization Fund Balance Amounted To \$17,119, While The Unpaid Loan Balance Amounted To \$12,000.**

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2008**

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
Joella C. Good Elementary	\$ 18,343.92	\$ 283,859.25	\$ 285,246.49	\$ 16,956.68	\$ 3,400.84	\$ 13,555.84	-	\$ 16,956.68
Parkway Elementary	6,321.57	27,073.21	28,186.04	5,208.74	2,222.97	2,985.77	-	5,208.74
Miami Beach Senior	347,266.51	483,661.26	503,827.96	327,099.81	12,103.76	311,996.05	\$ 3,000.00	327,099.81
North Miami Beach Senior	313,211.65	528,341.00	559,584.64	281,968.01	26,138.38	255,829.63	-	281,968.01
Auburndale Elementary	34,686.17	308,302.81	306,306.28	36,682.70	10,434.41	26,248.29	-	36,682.70
Ethel K. Beckham Elementary	20,974.43	467,642.91	470,946.02	17,671.32	1,893.80	15,777.52	-	17,671.32
Bent Tree Elementary	65,115.47	221,633.34	221,812.34	64,936.47	14,712.00	50,224.47	-	64,936.47
Blue Lakes Elementary	29,194.80	228,463.26	228,181.86	29,476.20	23,029.81	6,446.39	-	29,476.20
George W. Carver Elementary	22,348.49	16,938.22	23,120.79	16,165.92	918.94	15,246.98	-	16,165.92
Citrus Grove Elementary	14,598.52	47,200.17	42,908.58	18,890.11	18,122.08	768.03	-	18,890.11
Coral Gables Elementary	27,061.15	70,926.56	72,521.62	25,466.09	8,426.43	17,039.66	-	25,466.09
Coral Terrace Elementary	15,950.63	164,480.16	160,449.62	19,981.17	11,498.95	8,482.22	-	19,981.17

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2008**

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
Coral Way K-8 Center	29,826.87	481,557.47	491,360.79	20,023.55	13,523.97	6,499.58	-	20,023.55
Cypress Elementary	34,265.66	144,517.36	144,777.57	34,005.45	1,414.15	32,591.30	-	34,005.45
David Fairchild Elementary	22,004.08	75,606.23	69,507.94	28,102.37	10,718.83	17,383.54	-	28,102.37
Fairlawn Elementary	34,471.05	168,139.04	166,557.67	36,052.42	11,988.83	24,063.59	-	36,052.42
Dante B. Fascell Elementary	38,437.37	292,331.12	286,622.00	44,146.49	6,464.39	37,682.10	-	44,146.49
Dr. Carlos J. Finlay Elementary	19,251.20	53,830.80	53,545.97	19,536.03	7,523.96	12,012.07	-	19,536.03
Henry M. Flagler Elementary	12,073.48	231,867.16	231,877.29	12,063.35	4,639.41	7,423.94	-	12,063.35
Greenglade Elementary	20,608.30	268,175.26	266,568.65	22,214.91	9,647.45	12,567.46	-	22,214.91
Charles R. Hadley Elementary	83,390.25	404,503.32	414,271.55	73,622.02	14,755.27	58,866.75	-	73,622.02
Eneida M. Hartner Elementary	21,117.89	125,859.03	125,192.25	21,784.67	13,099.81	8,684.86	-	21,784.67
Zora Neale Hurston Elementary	26,630.74	184,585.74	189,047.54	22,168.94	1,942.81	20,226.13	-	22,168.94
Kensington Park Elementary	18,400.51	267,580.20	270,251.56	15,729.15	11,826.53	3,902.62	-	15,729.15
Key Biscayne K-8 Center	24,975.06	330,914.27	329,720.48	26,168.85	13,714.09	12,454.76	-	26,168.85
Kinloch Park Elementary	38,908.94	160,193.29	156,166.13	42,936.10	5,069.40	37,866.70	-	42,936.10

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2008**

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
Wesley Matthews Elementary	24,979.03	400,704.66	405,768.70	19,914.99	6,056.38	13,858.61	-	19,914.99
Ada Merritt K-8 Center	33,177.33	434,105.59	447,165.15	20,117.77	3,924.84	16,192.93	-	20,117.77
Olympia Heights Elementary	15,299.84	45,098.57	46,863.70	13,534.71	6,651.59	6,883.12	-	13,534.71
Riverside Elementary	38,195.63	164,363.69	174,768.32	27,791.00	14,513.32	13,277.68	-	27,791.00
Rockway Elementary	17,054.53	212,269.36	211,049.98	18,273.91	8,939.87	9,334.04	-	18,273.91
Royal Green Elementary	18,351.85	257,051.43	251,821.94	23,581.34	12,776.44	10,804.90	-	23,581.34
Seminole Elementary	21,236.70	32,101.28	28,371.44	24,966.54	12,512.15	12,454.39	-	24,966.54
Shenandoah Elementary	10,611.04	39,618.30	38,945.02	11,284.32	7,699.10	3,585.22	-	11,284.32
Silver Bluff Elementary	24,126.08	232,751.83	230,074.73	26,803.18	11,334.18	15,469.00	-	26,803.18
South Miami K-8 Center	26,900.80	300,452.38	309,695.72	17,657.46	1,421.36	16,236.10	-	17,657.46
Southside Elementary	21,438.78	223,772.25	229,170.85	16,040.18	3,876.46	12,163.72	-	16,040.18
E.W.F. Stirrup Elementary	40,756.41	295,513.30	293,204.91	43,064.80	22,131.41	20,933.39	-	43,064.80
Sunset Elementary	31,111.81	578,683.57	553,328.22	56,467.16	42,082.40	14,384.76	-	56,467.16

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2008**

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
Sweetwater Elementary	27,594.03	277,333.08	276,652.62	28,274.49	7,417.63	20,856.86	-	28,274.49
Sylvania Heights Elementary	15,687.41	218,688.01	219,646.26	14,729.16	5,096.10	9,633.06	-	14,729.16
Tropical Elementary	19,635.06	128,703.22	129,155.95	19,182.33	9,996.20	9,186.13	-	19,182.33
Village Green Elementary	9,345.83	247,258.01	247,733.90	8,869.94	6,081.53	2,788.41	-	8,869.94
Henry S. West Laboratory El.	16,213.18	21,761.16	26,304.97	11,669.37	2,959.24	8,710.13	-	11,669.37
Paul W. Bell Middle	67,133.10	163,289.64	177,448.41	52,974.33	8,114.67	44,859.66	-	52,974.33
George W. Carver Middle	61,537.58	59,532.75	53,436.20	67,634.13	9,873.75	57,760.38	-	67,634.13
Ruben Dario Middle	54,948.80	289,499.08	287,672.91	56,774.97	12,400.02	44,374.95	-	56,774.97
Howard A. Doolin Middle	41,928.92	61,230.41	57,972.24	45,187.09	9,356.61	35,830.48	-	45,187.09
Ponce de Leon Middle	60,325.14	124,243.30	146,231.42	38,337.02	10,051.43	28,285.59	-	38,337.02
Riviera Middle	53,677.89	100,074.93	88,310.70	65,442.12	7,583.14	57,858.98	-	65,442.12
Rockway Middle	72,984.99	167,390.86	165,017.72	75,358.13	19,522.25	55,835.88	-	75,358.13
Shenandoah Middle	24,963.73	70,501.93	74,910.10	20,555.56	3,880.21	16,675.35	-	20,555.56

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2008**

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
South Miami Middle	59,524.26	568,005.44	581,510.13	46,019.57	12,417.97	33,601.60	-	46,019.57
W. R. Thomas Middle	27,964.90	155,788.81	149,898.78	33,854.93	9,915.39	23,939.54	-	33,854.93
West Miami Middle	72,342.18	229,159.37	237,208.88	64,292.67	1,387.57	62,905.10	-	64,292.67
Coral Gables Senior	294,858.69	1,039,240.65	1,012,286.25	321,813.09	41,507.89	261,831.74	18,473.46	321,813.09
MAST Academy Sr.	63,059.72	409,081.80	362,495.05	109,646.47	54,261.50	55,384.97	-	109,646.47
New World School Of The Arts Sr.	95,094.83	227,204.49	249,205.00	73,094.32	2,985.58	70,108.74	-	73,094.32
South Miami Senior	195,721.71	550,601.21	548,987.80	197,335.12	4,794.18	192,540.94	-	197,335.12
Southwest Miami Senior	172,803.00	853,834.44	877,691.39	148,946.05	13,797.72	135,148.33	-	148,946.05
Miami Coral Park Adult Ed. Ctr.	91,673.41	181,746.26	159,016.63	114,403.04	60,595.06	53,807.98	-	114,403.04
Miami Senior Adult Ed. Ctr.	111,406.69	220,090.38	222,641.00	108,856.07	46,431.73	62,424.34	-	108,856.07
Academy For Community Ed.	19,204.93	13,771.63	19,685.32	13,291.24	2,303.19	10,988.05	-	13,291.24
School For Applied Technology	12,315.25	33,997.95	33,789.02	12,524.18	4,500.40	8,023.78	-	12,524.18
Ruth Owens Krusé Ed. Center	19,711.62	31,639.94	29,749.23	21,602.33	6,889.96	14,712.37	-	21,602.33

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2008**


Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
Merrick Educational Center	24,278.32	21,038.33	29,847.59	15,469.06	10,234.69	5,234.37	-	15,469.06
Total	\$3,448,609.71	\$15,719,375.73	\$15,783,293.78	\$3,384,691.66	\$ 797,506.38	\$2,565,711.82	\$ 21,473.46	\$3,384,691.66

Audit Opinion on Financial Statements and Overall Assessment of Internal Controls Over Financial Reporting

Notwithstanding the conditions and findings reported herein, at all 66 schools, the financial statements present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2007-08 fiscal year, on the cash basis of accounting.

As of June 30, 2008, for all schools reported herein, total combined receipts and disbursements amounted to \$15,719,376 and \$15,783,294, respectively; while total combined cash and investments amounted to \$3,384,692.

As of June 30, 2008, the internal control structure at the schools generally functioned as designed by the District and implemented by the school administration, except for those conditions reported at the aforementioned three schools. When conditions came to our attention that were deemed non-reportable, because they were immaterial and inconsequential, they were nevertheless, discussed with management for their information and follow-up.


 Maria T. Gonzalez, Certified Public Accountant
 Assistant Chief Auditor, School Audits Division
 Office of Management and Compliance Audits

INTERNAL CONTROLS RATING

Internal controls' ratings of the schools reported herein are as follows:

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
North Regional Center							
<u>Elementary Schools</u>							
Joella C. Good Elementary	✓			✓			Not Likely to impact
Parkway Elementary		✓			✓		Likely to impact operations
<u>Senior High Schools</u>							
Miami Beach Senior		✓			✓		Likely to impact operations
North Miami Beach Senior		✓			✓		Likely to impact operations
South Central Regional Center							
<u>Elementary Schools</u>							
Auburndale Elementary	✓			✓			Not Likely to impact
Ethel K. Beckham Elementary	✓			✓			Not Likely to impact
Bent Tree Elementary	✓			✓			Not Likely to impact
Blue Lakes Elementary	✓			✓			Not Likely to impact
George W. Carver Elementary	✓			✓			Not Likely to impact

INTERNAL CONTROLS RATING

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Citrus Grove Elementary	✓			✓			Not Likely to impact
Coral Gables Elementary	✓			✓			Not Likely to impact
Coral Terrace Elementary	✓			✓			Not Likely to impact
Coral Way K-8 Center	✓			✓			Not Likely to impact
Cypress Elementary	✓			✓			Not Likely to impact
David Fairchild Elementary	✓			✓			Not Likely to impact
Fairlawn Elementary	✓			✓			Not Likely to impact
Dante B. Fascell Elementary	✓			✓			Not Likely to impact
Dr. Carlos J. Finlay Elementary	✓			✓			Not Likely to impact
Henry M. Flagler Elementary	✓			✓			Not Likely to impact
Greenglade Elementary	✓			✓			Not Likely to impact
Charles R. Hadley Elementary	✓			✓			Not Likely to impact
Eneida M. Hartner Elementary	✓			✓			Not Likely to impact

INTERNAL CONTROLS RATING

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Zora Neale Hurston Elementary	✓			✓			Not Likely to impact
Kensington Park Elementary	✓			✓			Not Likely to impact
Key Biscayne K-8 Center	✓			✓			Not Likely to impact
Kinloch Park Elementary	✓			✓			Not Likely to impact
Wesley Matthews Elementary	✓			✓			Not Likely to impact
Ada Merritt K-8 Center	✓			✓			Not Likely to impact
Olympia Heights Elementary	✓			✓			Not Likely to impact
Riverside Elementary	✓			✓			Not Likely to impact
Rockway Elementary	✓			✓			Not Likely to impact
Royal Green Elementary	✓			✓			Not Likely to impact
Seminole Elementary	✓			✓			Not Likely to impact
Shenandoah Elementary	✓			✓			Not Likely to impact
Silver Bluff Elementary	✓			✓			Not Likely to impact
South Miami K-8 Center	✓			✓			Not Likely to impact

INTERNAL CONTROLS RATING

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Southside Elementary	✓			✓			Not Likely to impact
E.W.F. Stirrup Elementary	✓			✓			Not Likely to impact
Sunset Elementary	✓			✓			Not Likely to impact
Sweetwater Elementary	✓			✓			Not Likely to impact
Sylvania Heights Elementary	✓			✓			Not Likely to impact
Tropical Elementary	✓			✓			Not Likely to impact
Village Green Elementary	✓			✓			Not Likely to impact
Henry S. West Laboratory El.	✓			✓			Not Likely to impact
<u>Middle Schools</u>							
Paul W. Bell Middle	✓			✓			Not Likely to impact
George W. Carver Middle	✓			✓			Not Likely to impact
Ruben Dario Middle	✓			✓			Not Likely to impact
Howard A. Doolin Middle	✓			✓			Not Likely to impact
Ponce de Leon Middle	✓			✓			Not Likely to impact
Riviera Middle	✓			✓			Not Likely to impact
Rockway Middle	✓			✓			Not Likely to impact
Shenandoah Middle	✓			✓			Not Likely to impact

INTERNAL CONTROLS RATING

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
South Miami Middle	✓			✓			Not Likely to impact
W. R. Thomas Middle	✓			✓			Not Likely to impact
West Miami Middle	✓			✓			Not Likely to impact
<u>Senior High Schools</u>							
Coral Gables Senior	✓			✓			Not Likely to impact
MAST Academy Sr.	✓			✓			Not Likely to impact
New World School Of The Arts Sr.	✓			✓			Not Likely to impact
South Miami Senior	✓			✓			Not Likely to impact
Southwest Miami Senior	✓			✓			Not Likely to impact
<u>Adult Education Centers</u>							
Miami Coral Park Adult Ed. Ctr.	✓			✓			Not Likely to impact
Miami Senior Adult Ed. Ctr.	✓			✓			Not Likely to impact
<u>Alternative Education Centers</u>							
Academy For Community Education	✓			✓			Not Likely to impact
School For Applied Technology	✓			✓			Not Likely to impact

INTERNAL CONTROLS RATING

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<u>Special Education Centers</u>							
Ruth Owens Krusé Ed. Center	✓			✓			Not Likely to impact
Merrick Educational Center	✓			✓			Not Likely to impact
<u>Other</u>							
Dade County Athletic Equalization Fund	✓			✓			Not Likely to impact

SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT FINDINGS

Summary of findings at schools reported herein follows:

Work Loc. No.	Schools	CURRENT YEAR AUDIT FINDINGS		PRIOR YEAR AUDIT FINDINGS	
		Total per School	AREA OF FINDINGS	Total per School	AREA OF FINDINGS
North Regional Center					
<u>Elementary Schools</u>					
2181	Joella C. Good Elementary	None		None	
4341	Parkway Elementary	1	▪ Bookkeeping Function	None	
<u>Senior High Schools</u>					
7201	Miami Beach Senior	2	▪ Internal Funds Records ▪ Yearbooks	None	
7541	North Miami Beach Senior	1	▪ School Site Data /Network Security	None	
South Central Regional Center					
<u>Elementary Schools</u>					
0121	Auburndale Elementary	None		None	
0251	Ethel K. Beckham Elementary	None		None	
0271	Bent Tree Elementary	None		None	
0441	Blue Lakes Elementary	None		None	
0721	George W. Carver Elementary	None		None	
0801	Citrus Grove Elementary	None		None	
0961	Coral Gables Elementary	None		None	
1081	Coral Terrace Elementary	None		None	
1121	Coral Way K-8 Center	None		None	
1281	Cypress Elementary	None		None	
1761	David Fairchild Elementary	None		None	

**SUMMARY SCHEDULE OF AUDIT FINDINGS
CURRENT AND PRIOR AUDIT FINDINGS**

Work Loc. No.	Schools/Centers	CURRENT YEAR AUDIT FINDINGS		PRIOR YEAR AUDIT FINDINGS	
		Total per School	AREA OF FINDINGS	Total per School	AREA OF FINDINGS
1801	Fairlawn Elementary	None		None	
1811	Dante B. Fascell Elementary	None		None	
5061	Dr. Carlos J. Finlay Elementary	None		None	
1881	Henry M. Flagler Elementary	None		None	
2261	Greenglade Elementary	None		None	
2331	Charles R. Hadley Elementary	None		None	
2351	Eneida M. Hartner Elementary	None		None	
2511	Zora Neale Hurston Elementary	None		None	
2661	Kensington Park Elementary	None		None	
2741	Key Biscayne K-8 Center	None		None	
2781	Kinloch Park Elementary	None		None	
3111	Wesley Matthews Elementary	None		None	
3191	Ada Merritt K-8 Center	None		None	
4091	Olympia Heights Elementary	None		None	
4681	Riverside Elementary	None		None	
4721	Rockway Elementary	None		None	
4741	Royal Green Elementary	None		None	
4921	Seminole Elementary	None		None	
5001	Shenandoah Elementary	None		None	
5041	Silver Bluff Elementary	None		None	
5241	South Miami K-8 Center	None		None	
5321	Southside Elementary	None		None	
5381	E.W.F. Stirrup Elementary	None		None	
5401	Sunset Elementary	None		None	

**SUMMARY SCHEDULE OF AUDIT FINDINGS
CURRENT AND PRIOR AUDIT FINDINGS**

Work Loc. No.	Schools/Centers	CURRENT YEAR AUDIT FINDINGS		PRIOR YEAR AUDIT FINDINGS	
		Total per School	AREA OF FINDINGS	Total per School	AREA OF FINDINGS
5431	Sweetwater Elementary	None		None	
5441	Sylvania Heights Elementary	None		None	
5521	Tropical Elementary	None		1	▪ FTE-SPED
5641	Village Green Elementary	None		None	
5831	Henry S. West Laboratory El.	None		None	
<u>Middle Schools</u>					
6041	Paul W. Bell Middle	None		None	
6071	George W. Carver Middle	None		None	
6121	Ruben Dario Middle	None		None	
6131	Howard A. Doolin Middle	None		None	
6741	Ponce de Leon Middle	None		None	
6801	Riviera Middle	None		None	
6821	Rockway Middle	None		None	
6841	Shenandoah Middle	None		None	
6881	South Miami Middle	None		None	
6901	W. R. Thomas Middle	None		None	
6961	West Miami Middle	None		None	
<u>Senior High Schools</u>					
7071	Coral Gables Senior	None		None	
7161	MAST Academy Sr.	None		None	
7901	New World School Of Arts Sr.	None		None	
7721	South Miami Senior	None		1	▪ Property
7741	Southwest Miami Senior	None		None	

**SUMMARY SCHEDULE OF AUDIT FINDINGS
CURRENT AND PRIOR AUDIT FINDINGS**

Work Loc. No.	Schools/Centers	CURRENT YEAR AUDIT FINDINGS		PRIOR YEAR AUDIT FINDINGS	
		Total per School	AREA OF FINDINGS	Total per School	AREA OF FINDINGS
<u>Adult Education Centers</u>					
7272	Miami Coral Park Adult Ed. Ctr.	None		None	
7462	Miami Sr. Adult Ed. Center	None		None	
<u>Alternative Education Centers</u>					
8019	Academy For Community Ed	None		None	
8171	School For Applied Technology	None		None	
<u>Special Education Centers</u>					
8181	Ruth Owens Krusé Ed. Center	None		None	
9732	Merrick Educational Center	None		2	<ul style="list-style-type: none"> ▪ FTE-SPED ▪ FTE-Teacher Certification
<u>Other</u>					
--	Dade County Athletic Equalization Fund	None		None	
TOTAL		4		4	

LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Listed below are the names of the former and current principals, as applicable:

Work Loc. No.	Schools/Centers	Current Principal/Administrator	Former Principal/Administrator
North Regional Center			
2181	Joella C. Good Elementary	Ms. Lizette G. O' Halloran	N/A-No Change of Principal Since P/Y Audit
4341	Parkway Elementary	Ms. Tracie N. Lewis	N/A-No Change of Principal Since P/Y Audit
7201	Miami Beach Senior	Dr. Rosann P. Sidener	N/A-No Change of Principal Since P/Y Audit
7541	North Miami Beach Senior	Mr. Raymond L. Fontana	N/A-No Change of Principal Since P/Y Audit
South Central Regional Center			
0121	Auburndale Elementary	Ms. Liliana Salazar	N/A-No Change of Principal Since P/Y Audit
0251	Ethel K. Beckham Elementary	Ms. Maria E. Tavel-Visiedo	N/A-No Change of Principal Since P/Y Audit
0271	Bent Tree Elementary	Dr. Esther Visiedo	N/A-No Change of Principal Since P/Y Audit
0441	Blue Lakes Elementary	Ms. Aida M. Marrero	N/A-No Change of Principal Since P/Y Audit
0721	George W. Carver Elementary	Dr. Cheryl E. Johnson	N/A-No Change of Principal Since P/Y Audit
0801	Citrus Grove Elementary	Ms. Gwendolyn Haynes	N/A-No Change of Principal Since P/Y Audit
0961	Coral Gables Elementary	Ms. Graciela P. Cerra	N/A-No Change of Principal Since P/Y Audit
1081	Coral Terrace Elementary	Mr. Jorge O. Sotolongo	N/A-No Change of Principal Since P/Y Audit
1121	Coral Way K-8 Center	Mr. Alejandro Perez	N/A-No Change of Principal Since P/Y Audit
1281	Cypress Elementary	Ms. Melanie L. Visnich	N/A-No Change of Principal Since P/Y Audit
1761	David Fairchild Elementary	Mr. William J. Kinney	N/A-No Change of Principal Since P/Y Audit
1801	Fairlawn Elementary	Ms. Amelia P. Leth	N/A-No Change of Principal Since P/Y Audit
1811	Dante B. Fascell Elementary	Ms. Estela C. Santiago	N/A-No Change of Principal Since P/Y Audit
5061	Dr. Carlos J. Finlay Elementary	Ms. Cecilia C. Sanchez	N/A-No Change of Principal Since P/Y Audit

Note: Name highlighted identifies the *Principal During Audit Period*.

LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal/Administrator	Former Principal/Administrator
1881	Henry M. Flagler Elementary	Ms. Maria L. Izquierdo	N/A-No Change of Principal Since P/Y Audit
2261	Greenglade Elementary	Dr. Maria V. Tercilla	N/A-No Change of Principal Since P/Y Audit
2331	Charles R. Hadley Elementary	Ms. Maria R. Menchero	N/A-No Change of Principal Since P/Y Audit
2351	Eneida M. Hartner Elementary	Dr. Orlando B. Gonzalez	N/A-No Change of Principal Since P/Y Audit
2511	Zora Neale Hurston Elementary	Dr. Lilia A. Dobao	N/A-No Change of Principal Since P/Y Audit
2661	Kensington Park Elementary	Mr. Genaro Navarro	N/A-No Change of Principal Since P/Y Audit
2741	Key Biscayne K-8 Center	Ms. Silvia Tarafa	N/A-No Change of Principal Since P/Y Audit
2781	Kinloch Park Elementary	Ms. Ana M. Casas	N/A-No Change of Principal Since P/Y Audit
3111	Wesley Matthews Elementary	Mr. John A. Lengomin	N/A-No Change of Principal Since P/Y Audit
3191	Ada Merritt K-8 Center	Ms. Carmen M. Garcia	N/A-No Change of Principal Since P/Y Audit
4091	Olympia Heights Elementary	Ms. Francisca C. Nobregas	N/A-No Change of Principal Since P/Y Audit
4681	Riverside Elementary	Dr. Sharon M. Lopez	N/A-No Change of Principal Since P/Y Audit
4721	Rockway Elementary	Ms. Debbie F. Saumell	N/A-No Change of Principal Since P/Y Audit
4741	Royal Green Elementary	Ms. Alba M. Misas	N/A-No Change of Principal Since P/Y Audit
4921	Seminole Elementary	Ms. Cynthia A. Flanagan	N/A-No Change of Principal Since P/Y Audit
5001	Shenandoah Elementary	Ms. Martha M. Rodriguez	N/A-No Change of Principal Since P/Y Audit
5041	Silver Bluff Elementary	Dr. Brenda B. Dawkins	N/A-No Change of Principal Since P/Y Audit
5241	South Miami K-8 Center	Ms. Anamarie G. Moreiras	N/A-No Change of Principal Since P/Y Audit
5321	Southside Elementary	Mr. Salvatore Schiavone	N/A-No Change of Principal Since P/Y Audit
5381	E.W.F. Stirrup Elementary	Dr. Marisel Elias-Miranda	N/A-No Change of Principal Since P/Y Audit
5401	Sunset Elementary	Dr. Aline E. Sarria	N/A-No Change of Principal Since P/Y Audit

Note: Name highlighted identifies the *Principal During Audit Period*.

LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal/Administrator	Former Principal/Administrator
5431	Sweetwater Elementary	Dr. Maria E. Hernandez	Dr. Delio G. Diaz (Through April 2009; retired)
5441	Sylvania Heights Elementary	Ms. Maria V. Llerena	N/A-No Change of Principal Since P/Y Audit
5521	Tropical Elementary	Ms. Yubeda Miah	N/A-No Change of Principal Since P/Y Audit
5641	Village Green Elementary	Ms. Maria D. Chappotin	N/A-No Change of Principal Since P/Y Audit
5831	Henry S. West Laboratory El.	Ms. Barbara R. Soto	N/A-No Change of Principal Since P/Y Audit
6041	Paul W. Bell Middle	Ms. Ingrid G. Soto	N/A-No Change of Principal Since P/Y Audit
6071	George W. Carver Middle	Ms. Libia A. Gonzalez	N/A-No Change of Principal Since P/Y Audit
6121	Ruben Dario Middle	Dr. Verona C. McCarthy	Ms. Barbara Mendizabal (Through December 2008; South Central Reg. Ctr. Administrative Director)
6131	Howard A. Doolin Middle	Mr. Eduardo Tillet, Jr.	N/A-No Change of Principal Since P/Y Audit
6741	Ponce de Leon Middle	Ms. Anna L. Rodriguez	N/A-No Change of Principal Since P/Y Audit
6801	Riviera Middle	Ms. Valerie V. Carrier	N/A-No Change of Principal Since P/Y Audit
6821	Rockway Middle	Ms. Maria D. Cedeño-Allen	N/A-No Change of Principal Since P/Y Audit
6841	Shenandoah Middle	Ms. Lourdes F. Delgado	N/A-No Change of Principal Since P/Y Audit
6881	South Miami Middle	Dr. Lisa R. Robertson	N/A-No Change of Principal Since P/Y Audit
6901	W. R. Thomas Middle	Ms. Lisa L. Pizzimenti	N/A-No Change of Principal Since P/Y Audit
6961	West Miami Middle	Ms. Colleen del Terzo	Mr. Jacques Bentolila (Through December 2008; Principal at Ronald Reagan Senior)
7071	Coral Gables Senior	Ms. JoAnne D. Gans	N/A-No Change of Principal Since P/Y Audit
7161	MAST Academy Senior	Mr. Thomas C. Fisher, II	N/A-No Change of Principal Since P/Y Audit

Note: Name highlighted identifies the *Principal During Audit Period*.

LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal/Administrator	Former Principal/Administrator
7901	New World School Of The Arts Senior	Dr. Frederic E. Conde	N/A-No Change of Principal Since P/Y Audit
7721	South Miami Senior	Mr. Gilberto D. Bonce	N/A-No Change of Principal Since P/Y Audit
7741	Southwest Miami Senior	Mr. James R. Haj	N/A-No Change of Principal Since P/Y Audit
7272	Miami Coral Park Adult Ed. Ctr.	Mr. Robert D. Novak	N/A-No Change of Principal Since P/Y Audit
7462	Miami Sr. Adult Ed. Ctr.	Ms. Gilda M. Santalla	N/A-No Change of Principal Since P/Y Audit
8019	Academy For Community Ed	Mr. Carlos J. Cambó	N/A-No Change of Principal Since P/Y Audit
8171	School For Applied Technology	Ms. Yseult Charles	N/A-No Change of Principal Since P/Y Audit
8181	Ruth Owens Krusé Ed. Center	Mr. Angel L. Rodriguez	N/A-No Change of Principal Since P/Y Audit
9732	Merrick Educational Center	Ms. Deborah C. Wehking	N/A-No Change of Principal Since P/Y Audit
Other			
--	Dade County Athletic Equalization Fund	Dr. Consuelo Dominguez, Administrative Director, ABC and Athletics (Fund's Administrator) Ms. Cheryl Golden, Executive Secretary, GMAC (Fund's Trustee)	Dr. Consuelo Dominguez, Administrative Director, ABC and Athletics (Fund's Administrator) Ms. JoAnne Gans (Fund's Trustee Through June 2008)

Note: Name highlighted identifies the *Principal During Audit Period*.

PROPERTY SCHEDULES

Property inventory results are as follows:

Work Location No.	Schools	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
North Regional Center Schools								
2181	Joella C. Good Elementary	239	\$ 452,858	None	-	-	None	-
4341	Parkway Elementary	85	209,355	None	-	-	None	-
7201	Miami Beach Senior	585	1,547,658	None	-	-	None	-
7541	North Miami Beach Senior+	660	1,387,956	None	-	-	None	-
South Central Regional Center Schools								
0121	Auburndale Elementary	226	474,128	None	-	-	None	-
0251	Ethel Koger Beckham Elementary	101	227,645	None	-	-	None	-
0271	Bent Tree Elementary	121	297,453	None	-	-	None	-
0441	Blue Lakes Elementary	89	250,120	None	-	-	None	-
0721	George W. Carver Elementary	187	292,651	None	-	-	None	-
0801	Citrus Grove Elementary	118	287,894	None	-	-	None	-
0961	Coral Gables Elementary	101	258,171	None	-	-	None	-
1081	Coral Terrace Elementary	163	284,281	None	-	-	None	-
1121	Coral Way K-8 Center	239	526,311	None	-	-	None	-
1281	Cypress Elementary	104	247,171	None	-	-	None	-
1761	David Fairchild Elementary	81	162,929	None	-	-	None	-

PROPERTY SCHEDULES

Work Location No.	Schools	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
1801	Fairlawn Elementary	76	181,176	None	-	-	None	-
1811	Dante B. Fascell Elementary	196	392,692	None	-	-	None	-
5061	Dr. Carlos J. Finlay Elementary	132	244,032	None	-	-	None	-
1881	Henry M. Flagler Elementary	99	218,249	None	-	-	None	-
2261	Greenglade Elementary	110	230,036	None	-	-	None	-
2331	Charles R. Hadley Elementary	185	429,751	None	-	-	None	-
2351	Eneida M. Hartner Elementary	113	290,745	1	\$ 1,342	\$ 67	None	-
2511	Zora Neale Hurston Elementary	91	224,839	None	-	-	None	-
2661	Kensington Park Elementary	204	418,513	None	-	-	None	-
2741	Key Biscayne K-8 Center	380	691,230	None	-	-	None	-
2781	Kinloch Park Elementary	121	269,783	None	-	-	None	-
3111	Wesley Matthews Elementary	225	409,707	None	-	-	None	-
3191	Ada Merritt K-8 Center	131	298,358	None	-	-	None	-
4091	Olympia Heights Elementary	97	229,840	None	-	-	None	-
4681	Riverside Elementary	213	581,369	None	-	-	None	-
4721	Rockway Elementary	64	158,103	None	-	-	None	-
4741	Royal Green Elementary	134	294,098	None	-	-	None	-
4921	Seminole Elementary	86	189,721	None	-	-	None	-

PROPERTY SCHEDULES

Work Location No.	Schools	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
5001	Shenandoah Elementary	162	319,513	None	-	-	None	-
5041	Silver Bluff Elementary	142	247,850	None	-	-	None	-
5241	South Miami K-8 Center	190	407,938	None	-	-	None	-
5321	Southside Elementary	141	272,340	1	1,199	447	None	-
5381	E.W.F. Stirrup Elementary	142	300,564	None	-	-	None	-
5401	Sunset Elementary	135	285,125	None	-	-	None	-
5431	Sweetwater Elementary	132	286,782	None	-	-	None	-
5441	Sylvania Heights Elementary	104	242,701	None	-	-	None	-
5521	Tropical Elementary	149	339,394	None	-	-	None	-
5641	Village Green Elementary	100	188,366	None	-	-	None	-
5831	Henry S. West Laboratory Elementary	114	200,143	None	-	-	None	-
6041	Paul W. Bell Middle	370	799,044	None	-	-	None	-
6071	G.W. Carver Middle	322	677,892	None	-	-	None	-
6091	Citrus Grove Middle *	340	665,998	None	-	-	None	-
6121	Ruben Dario Middle	336	609,777	None	-	-	None	-
6131	Howard A. Doolin Middle	275	671,172	None	-	-	None	-
6331	Kinloch Park Middle *	285	640,874	None	-	-	None	-
6741	Ponce de Leon Middle	309	799,718	None	-	-	None	-

PROPERTY SCHEDULES

Work Location No.	Schools	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
6801	Riviera Middle	369	840,574	None	-	-	None	-
6821	Rockway Middle	250	683,623	None	-	-	None	-
6841	Shenandoah Middle	366	660,165	None	-	-	None	-
6881	South Miami Middle	302	718,005	None	-	-	None	-
6901	W. R. Thomas Middle	244	504,236	2	3,956	-	None	-
6961	West Miami Middle	345	628,712	None	-	-	None	-
7051	G. Holmes Braddock Senior *	833	1,744,434	None	-	-	None	-
7071	Coral Gables Senior	486	1,176,583	None	-	-	None	-
7081	Design & Architecture Senior *	467	935,462	None	-	-	None	-
7121	John A. Ferguson Senior *	945	2,408,467	None	-	-	None	-
7161	MAST Academy Sr.	773	1,844,730	None	-	-	None	-
7271	Miami Coral Park Senior ♦	524	1,889,904	None	-	-	None	-
7461	Miami Senior *	760	1,633,341	None	-	-	None	-
7901	New World School Of The Arts Sr.	186	375,814	None	-	-	None	-
7721	South Miami Senior	708	1,535,111	None	-	-	None	-
7741	Southwest Miami Senior	592	1,604,334	None	-	-	None	-
7072	Coral Gables Adult Ed. Ctr.♦	18	40,134	None	-	-	None	-
7841	The English Center *	230	477,935	None	-	-	None	-

PROPERTY SCHEDULES

Work Location No.	Schools	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
8005	Lindsey Hopkins Education Center *	1,246	3,258,867	None	-	-	None	-
7272	Miami Coral Park Adult Ed. Ctr.	138	311,183	None	-	-	None	-
7462	Miami Senior Adult Ed. Ctr.	69	144,598	None	-	-	None	-
7742	Southwest Miami Adult Ed. Ctr.♦	32	63,628	None	-	-	None	-
8019	Academy For Community Education	16	31,586	None	-	-	None	-
8171	School For Applied Technology	38	85,195	None	-	-	None	-
8181	Ruth Owens Krusé Education Center	287	579,892	None	-	-	None	-
9732	Merrick Educational Center	222	411,006	None	-	-	None	-
	TOTAL	19,950	\$ 45,201,533	4	\$ 6,497	\$ 514	None	-

Legend:

- ♦ Schools Audits that were previously reported to the Audit Committee (3 Schools).
- * School Audits pending publication as of June 2009. Results to be published as two-year audits in September 2009 (8 Schools).

PROPERTY SCHEDULES

Analysis of Plant Security Reports for the schools included herein follows:

Work	Schools	No. Of Plant Security Reports	Total Items	Total Amount At Cost	CATEGORY (AT COST)			Total Depreciated Value
					Computers	Audio Visual	Other	
North Regional Center								
4341	Parkway Elementary	1	1	\$ 2,200	\$ 2,200	-	-	\$ 367
7541	North Miami Beach Senior▼	6	8	14,591	7,000	\$ 1,167	\$ 6,424	8,159
South Central Regional Center								
0801	Citrus Grove Elementary	1	1	2,795	2,795	-	-	2,373
3111	Wesley Matthews Elementary	1	1	1,355	1,355	-	-	384
5001	Shenandoah Elementary	1	1	1,200	1,200	-	-	560
5521	Tropical Elementary	1	3	3,382	1,185	-	2,197	731
6121	Ruben Dario Middle	1	1	1,495	-	1,495	-	798
6801	Riviera Middle	1	1	1,129	1,129	-	-	804
6901	W. R. Thomas Middle	1	2	3,956	3,956	-	-	-
6961	West Miami Middle	1	4	4,990	4,990	-	-	1,220
7161	MAST Academy Sr.	2	2	7,722	1,225	6,497	-	1,541
7901	New World School Of The Arts	1	3	3,832	3,832	-	-	1,937
8005	Lindsey Hopkins Education Center Sr.	2	3	5,427	5,427	-	-	3,329
	TOTAL	20	31	\$ 54,074	\$ 36,294	\$ 9,159	\$ 8,621	\$ 22,203

Notes:

▼ Refer to page 58 of Appendix--Memorandum from principal providing explanation for these losses.

Schools not reporting Plant Security Reports are excluded from this schedule.

FINDINGS AND RECOMMENDATIONS

1. Bookkeeping Function Revealed Discrepancies *Parkway Elementary*

Section II, Chapters 2 and 3 of the *Manual of Internal Fund Accounting* establish the procedures for receipting, recording, and depositing the monies associated with internal funds activities. These procedures require that monies collected be timely receipted and deposited, in the same form as collected. At a minimum, a deposit must be made on the last working day of the week and on the last working day of the month, regardless of the amounts collected. Upon entering the last receipt transaction for the day, a summary of deposit must be generated to prepare the bank deposit. In addition, the procedures require that official receipts be issued to document individual collections of \$15 or more. Section V, Chapter 1 of the *Manual* requires schools to maintain on file the cancelled checks.

During our review of current year activity, we identified discrepancies in the monies handled by the current bookkeeper, who has been employed at this school since February 2008. Her bookkeeping responsibilities also included taking the deposits to the bank.

For the 2008-09 fiscal year up to April 24, 2009, the school collected approximately \$20,300. Most funds were raised from school-sponsored and fund-raising activities such as: the United Way Student Campaign, Book Fairs, the sale of school pictures and several field trips, among other activities. The discrepancies identified and questioned by us were as follows:

- 1.1. A total of \$722 in cash receipted between October 17 and October 30, 2008 from activities associated with the United Way Student Campaign was withheld from deposit until November 10, 2008. Through our inquiries, we found that the bookkeeper had signed the corresponding Recaps of Collections using the name of another school employee who was not involved in the collection of these funds. Although the Recaps of Collections had indicated that all were in the form of cash, the corresponding deposit slip listed a check for \$52.94, which we traced to Book Fair collections receipted in November 10, 2008, the same day that the United Way collections were deposited.
- 1.2. During November 2008, we identified collections amounting to \$1,047, mostly cash, which were not deposited until December 10, 2008. These included Book Fair collections amounting to \$809 which had been receipted in November 10 and 12, 2008; and \$238 in collections from the sale school pictures which had been receipted in November 21, 2008.

- 1.3. Similarly, we identified additional Book Fair and field trip collections amounting to \$258, which had been receipted in November 10 and December 12, 2008, respectively, but not deposited until January 21, 2009.

Regarding all these instances, although requested, the bookkeeper did not provide a reason that would justify these delays in deposit. Because these collections were receipted but withheld from deposit until after the closing of the month, they were improperly listed in the bank reconciliations as *deposits in transit*.

- 1.4. A total of \$1,959 in Book Fair collections which were mostly cash, were receipted in March 2009. Of this total, \$459 was deposited between five and 11 days after receipt. During this month, we also found other field trip collections that were deposited a few days late.
- 1.5. Other recordkeeping discrepancies included: 1) delays in the posting of collections to the MSAF system; 2) sponsors that were turning in monies late; 3) official receipts that were not used to document individual field trip collections of \$15; 4) MSAF deposit summaries that were not prepared and attached to any of the deposit packages reviewed; and 5) copies of cancelled checks that were received from the bank without copy of the reverse of the check showing the check's endorsement.

RECOMMENDATIONS

- 1.1. **Strengthen the review and oversight over the bookkeeping function and the collection process to ensure that monies are timely receipted, recorded and deposited. Also, ensure that the bookkeeper understands and adheres to these procedures and observes deposit timelines.**
- 1.2. **Ensure that school staff understands and adheres to the procedures for submitting the collections; and instruct staff to request a receipt from the bookkeeper immediately after collections exchange hands.**
- 1.3. **Ensure that the bank is sending copies of the reverse of cancelled checks.**

Person(s) Responsible:

**Principal, Assistant Principal,
Secretary/Treasurer**

Management Response:

The principal has thoroughly reviewed the findings cited in the Internal Funds Audit Report for the 2007 – 2008 fiscal year. Subsequently, a meeting was conducted with the secretary/treasurer to review, develop and implement a corrective plan of action and preventive strategies.

During the meeting, the principal reviewed Section II, Chapters 2 and 3, of the Manual of Internal Fund Accounting, which established the procedures for receipting, recording and depositing the monies associated with internal funds activities; and Section V, Chapter 1 of the manual which requires schools to maintain on file copies of the front and reverse of the cancelled checks that the bank provides.

During the meeting, the principal shared the corrective plan of preventative strategies with the treasurer to ensure compliance of established procedures. The principal has implemented corrective and preventative strategies to avoid the recurrence of similar conditions in future audits. The principal will assume a more active role in monitoring the treasurer's performance and functions in an effort to ensure proper procedures are strictly adhered to.

The following corrective measures and preventative strategies were established for immediate implementation:

The principal directed the secretary/treasurer to establish a contract with the armored car service to begin collecting deposits for the remainder of the school year and the 2009 - 2010 school year. The principal directed the secretary/treasurer to process entries and post deposits in a timely manner. The secretary/treasurer was directed to print the Daily Activity Report and the deposit summary from the MSAF system to ensure that receipts are posted properly and timely, that the deposit package includes the summary of receipt transactions, and that monies recorded are deposited on time. On a weekly basis, the principal will review the receipt documentation and the deposit packages. Any noted discrepancies will be addressed immediately by the principal and treasurer.

The principal has established a procedure and reviewed it with staff which includes scheduling activities on a master calendar with specific sponsors for each activity. The collection of funds, and the receiving of a receipt to signify the exchange of monies will be verified by the principal prior to submission to the treasurer. This measure is designed to ensure the accuracy of monitored collections and verification of deposits. The principal will review positing of receipts to ensure that all accounting policies and procedures are followed and completed in a timely manner.

The principal will meet with the secretary/treasurer to review bank statements and MSAF posted transactions, monthly reconciliation, adjusted entries, deposits in transit and any unusual activity prior to signing monthly reconciliation reports.

The principal directed the secretary/treasurer to contact the bank to request that copies of the front and reverse of cancelled checks be sent to the school as stipulated in the Manual of Internal Funds Accounting.

The principal has instructed the secretary/treasurer and other clerical staff who disburse the daily mail to deliver the monthly bank statement and all billing correspondence unopened and directly to the principal for initial review. In the absence of the principal, the assistant principal will perform the initial review prior to giving to the treasurer.

**2. Inadequate Safeguarding Of
Internal Funds Records
*Miami Beach Senior***

According to the general guidelines in Section V, Chapter 2 of the *Manual of Internal Fund Accounting*, all financial records associated with internal funds must be safeguarded and retained for audit purposes. Accordingly, school records waiting to be audited should be maintained in a secure area at the school site.

On March 15, 2009, the school administration informed our office that the financial records documenting the internal funds activity for the months of November and December 2007 could not be located. Our review of the school's financial records for the 2007-08 fiscal year disclosed the following conditions:

- 2.1. A total of 272 check requisitions and disbursement documentation; 34 deposit packages said to contain 323 computer generated receipts and supporting documentation; and monthly bank reconciliations, bank statements and 269 cancelled checks for the two-month period ended on December 31, 2007, could not be located. The total amount receipted and disbursed by the school during this time period was approximately \$67,000 and \$80,000, respectively. For the 2007-08 fiscal year, the total amount receipted and disbursed was approximately \$484,000 and \$504,000, respectively.
- 2.2. According to the school administration, these records may have been lost, discarded, or misplaced during the summer/fall months of the 2007-08 fiscal year, when major construction/demolition of administrative offices necessitated the relocation of records and office personnel several times.
- 2.3. Regarding the missing records, the school obtained copies of the November and December 2007 bank statements, cancelled checks and the monthly bank reconciliations at our request. On a sample basis, we obtained copies of vendor invoices to verify disbursements. Using ancillary records, we reviewed a sample of receipts. Based on our samples, and on the limited records that were available to us, nothing came to our attention that would indicate a discrepancy or an irregularity with the monies receipted, deposited, or disbursed during the two-month period ended December 31, 2007.

Our review of internal funds records corresponding to other months' financial activity, as well as activity corresponding to the current fiscal year did not disclose any significant discrepancies or irregularities.

RECOMMENDATION

- 2.1. Although we recognize the extenuating circumstances which may have contributed to the loss/misplacement of financial records, going forward, the school administration should identify a safe and secure area for the storage of records associated with the school's financial activities, for which only key personnel should have immediate access. We further recommend that the records be inventoried and periodically reviewed to prevent their misplacement.**

Person(s) Responsible:

**Principal, Assistant Principal,
Treasurer, Registrar**

Management Response:

After the renovation of Building 1 was completed, the Principal reassigned offices and storage space. A dedicated storage room close to the treasurer's office was rekeyed and designated for secure storage of financial records. The keys have been designated to the treasurer and the Principal. The treasurer is assigned sole responsibility for guardianship of the contents of this room. The Registrar serves as the back up for the treasurer, only in her absence from the work site. The records were inventoried on May 15, 2009. They will be reviewed by the Assistant Principal and the treasurer quarterly, and by the Principal every December and June to prevent misplacements.

3. Discrepancies Found In Yearbook Reports, Yearbooks Inventory, And Yearbook Collections
Miami Beach Senior

Section IV, Chapter 6 of the *Manual of Internal Fund Accounting* establishes the procedures over the yearbook activity. According to these procedures, Monthly Operating Reports [FM-1030] (to report monthly activity), and Distribution Report [FM-1031] (to summarize the distribution and year-end inventory of yearbooks) must be completed by the school. Pursuant to the procedures, the yearbook sponsor is responsible for maintaining and safeguarding the yearbook documents, as well as for securing any unsold books. Also, according to Section II, Chapter 2 of the *manual*, monies associated with internal fund activities that are collected by school employees must be promptly submitted to the school treasurer for deposit.

- 3.1. During the prior year, we discussed with the administration and the former yearbook sponsor¹ the errors found in the Distribution Report and in the Monthly Operating Reports for the yearbook activity. This year, our review found similar errors in five of the monthly reports and in the Distribution Report.
- 3.2. The school could not account for 16 yearbooks and three yearbook receipts. After our inquiries, the school presented a Certificate of Loss for the loss of 14 of these books, as well as an incident report filed with the MDCPS Police for the loss of \$90. According to the Certificate of Loss, yearbooks went missing when the storage area was left unsecured during construction; while yearbook collections were stolen from the sponsor's unsecured desk.

RECOMMENDATIONS

- 3.1. **Ensure that staff understands and adheres to the procedures for completing the yearbook reports, and for maintaining on file complete documentation related to the activity.**
- 3.2. **Identify a secure place for storing yearbooks, and ensure that access is restricted to key personnel.**
- 3.3. **Ensure that staff understands and adheres of the procedures for safeguarding the collections.**

¹ There has been a change of yearbook sponsor since the prior audit.

Person(s) Responsible:

**Principal, Assistant Principal,
Yearbook Sponsor, Treasurer**

Management Response:

3.1. On May 29, 2009, the principal reviewed Section IV, Chapter 6 of the Manual of Internal Fund Accounting, specific to Yearbook activities and Section II, chapter 2 of the manual specific to the collection/deposit of funds with the yearbook sponsor, who signed a memorandum acknowledging that she had reviewed the policies and procedures. Each month, time will be scheduled for the yearbook sponsor to come to the main office to complete the monthly report in a quiet space. When the report is complete, the treasurer will review the report with the sponsor. It will then reviewed by the Assistant Principal and the Principal prior to being placed in the file.

In June, time will be scheduled for the yearbook sponsor to come to the main office to complete the annual report. After completion, the report will be reviewed with the Treasurer and Assistant Principal and the left over inventory will be counted and be verified. The Principal will complete a final review of the documents after the initial review is complete.

All end of the year reports, i.e. bid tally's etc., will be reviewed and submitted to the treasurer within 10 days after bid opening.

3.2. The yearbooks will be stored in the newly dedicated storage room upon receipt. Two adults will be present anytime the room is opened, to include the yearbook sponsor and the treasurer, the registrar or an administrator.

Yearbooks will be distributed from the back counter adjacent to the room during lunchtime only. The yearbook sponsor and the treasurer are responsible to ensure that the yearbooks that have been removed are recorded on a sign-out sheet posted in the room and the door to the storage room is closed and locked before leaving the area.

Inventory will be updated each time books are removed and verified once the current yearbook sales period has been completed. Any books remaining will be turned in to the Principal.

3.3. The administration and the yearbook sponsor developed these procedures via a collaborative process to ensure that the staff had both input into and understanding of the procedures established by this memorandum.

At the beginning of the year, the Yearbook Sponsor will establish days/dates when yearbook payments will be collected. All collections will be received during lunch hour in the main office and turned in to the Treasurer, or placed in the vault at the end of the daily collection period. Collections will not take place in the yearbook room. Announcements will be made to inform the students of new procedures for paying for the yearbooks. Additionally, these procedures will be explained to the entire staff at the opening of school to ensure that they are aware of and acknowledge the policy.

4. IT Function At School Site Not Properly Monitored And Maintained
North Miami Beach Senior

We performed our Information Technology (IT) review to assess the condition of the IT school site function.² We found that IT controls and practices were not in compliance as detailed below:

- 4.1. During our audit visit, the most recent “Authorized Applications for Employees by Locations” (RACF) report dated February 2009 disclosed no signs of review, signature, or updates to employees’ access/authorization. It also showed that the School Based Technician (SBT) had access to the electronic gradebook manager (WGBM) application; while two clerical staff other than the registrar had access to the application that allows for grade changes in ISIS (ISIS-ACAD GRD UPD). Although during our visit in March 2009, we discussed these issues with the principal for corrective action, our review of the April 2009 RACF report disclosed that employee access to these applications remained unchanged.
- 4.2. An inspection of the clinic housed at this location showed that one agency-owned PC was running outdated antivirus software. In addition, two MDCPS-owned PCs located in the clinic have not been migrated to the DADESCHOOLS domain.
- 4.3. According to the District's management tool (*BigFix*), six PC-based machines did not have district antivirus installed. *BigFix* also revealed that six unauthorized games were installed on various computers throughout the network. In addition, a physical inspection and interview with the SBT confirmed that about 15 MACs capable of joining the domain had not been bound.
- 4.4. The principal had not reviewed the MDCPS Network Security Standards (NSS) with the SBT. We also found that efforts to manage the software licensing at the school were deficient, and records were not readily available. In addition, local administrator password(s) were not on file.
- 4.5. The purpose of a disaster recovery and data backup policy is to provide for the continuity, restoration and recovery of critical data and systems; and to provide

² This included the review of the evaluation document titled “School Site IT Security Audit Assessment” developed by the Office of Management and Compliance Audits, in collaboration with Information Technology Services (ITS). This self-assessment tool is completed every year by school sites to assess the quality of network security, compliance with the Network Security Standards (NSS), and district technology directives. Once completed, it is submitted to our office for review. Eleven of the 21 items on the checklist completed and signed by the School Based Technician and the Principal were found to be non-compliant.

recourse in the event of unexpected data loss. We found that the school had not produced a disaster recovery plan; and there was no evidence of ongoing data backups. Pursuant to our inquiries, the SBT confirmed that data backups were not taking place.

RECOMMENDATIONS

- 4.1. Obtain the monthly RACF report (ITS product number T0802E0101), review for proper staff authorizations, sign, and maintain on file. Immediately revoke access to unauthorized personnel.**
- 4.2. Ensure that all agency-owned computers connected to the MDCPS network are protected by an effective and current antivirus installation (SOPHOS is recommended). All MDCPS-owned PCs should be migrated to the DADESCHOOLS domain as soon as possible.**
- 4.3. Review all computers to ensure that: 1) there is presence of district mandated antivirus software; 2) computers capable of being joined or bound are incorporated as members of the DADESCHOOLS domain; and 3) unauthorized games are uninstalled as soon as possible.**
- 4.4. Review the Network Security Standards (NSS) with the SBT to ensure that staff directly responsible for maintaining technology infrastructure understand and are fully aware of requirements, district IT policies and directives. Also, identify a staff member to centralize and coordinate all software licensing documentation in a manner conducive to review. In addition, maintain local administrator password(s) on file, updated if changed, and ensure that the location of such file is available to administrative staff for retrieval if necessary.**
- 4.5. Develop and document a disaster recovery plan and backup routine with the assistance of the SBT.**

Person(s) Responsible:

**Principal, Assistant Principal,
School Based Technician**

Management Response:

The following corrective measures and preventative strategies have been instituted to insure that all IT Security Standards have been met.

The principal will obtain the monthly RACF report, review for proper staff authorization, sign, and maintain a copy on file. This report has been reviewed, and amended as needed.

The School Based Technician (SBT) will ensure that all agency-owned computers connected to the MDCPS network are protected by an effective antivirus installation (SOPHOS) immediately. Also, all MDCPS-owned PCs will be migrated to the DADESCHOOLS domain by June 5, 2009.

Effective immediately, the principal directed the SBTs to employ the district's management tool (Big Fix) to insure that district antivirus is installed on all machines and that no unauthorized games are installed. The assistant principal will monitor this on a monthly basis.

The principal will immediately review the Network Security Standards with the SBT to make sure they are understood and implemented. The assistant principal will maintain and control all licensing documentation in a central file and location. He will also maintain local administrator passwords on file and update as needed.

The principal will develop a disaster recovery plan and backup routine with the assistance of the SBT. This will be in place as of June 12, 2009. The principal, AP, and SBT will continue to monitor IT security procedures on a monthly basis to ensure compliance of all M-DCPS Network Security Standards and submit their findings in writing to the file.

OBJECTIVES, SCOPE AND METHODOLOGY

The objectives of our audits were to:

- express an opinion on the internal fund financial statements of the schools for the fiscal year ended June 30, 2008, on the cash basis of accounting;
- evaluate compliance by the schools with the policies and procedures prescribed in the *Manual of Internal Fund Accounting*;
- provide assurances regarding compliance with current payroll procedures, as well as compliance with the current purchasing credit card program procedures; and certain information technology controls;
- verify compliance by the schools with the policies and procedures prescribed by the *Manual of Property Control Procedures*, and determine the adequacy of controls over the safeguarding of property items with an individual cost of \$1,000 or more;
- ascertain compliance with State law, State Board of Education Rules, School Board Rules, manuals, directives and FTE reporting documentation procedures as they relate to student attendance, Special Education, English Language Learners, Cooperative Education and Teacher Certification;

While the scope of our audits generally covered operations during the period of July 1, 2007 through June 30, 2008, property inventories, payroll, purchasing credit card transactions, and information technology controls included current periods. FTE audits covered the February 2009 survey period.

Our procedures were as follows:

- reviewed written policies, procedures, and School Board Rules;
- interviewed school staff and performed analytical analysis of account balances;
- examined, on a sample basis, transactions, processes, supporting documentation and records;
- performed physical inventories of property items with an individual cost of \$1,000 or more;
- follow-up on prior audit recommendations; and
- performed various other audit procedures as deemed necessary.

We conducted our audits in accordance with generally accepted government auditing standards (GAGAS) issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures herein. An audit also includes assessing the accounting principles used and significant estimates made by the administration, if any. We believe that our audits provide reasonable basis for our opinion. The results of the property audits reported herein were in all material respects similarly conducted in accordance with GAGAS, with the exception of the continuing professional education requirement not followed by our property auditors.

Internal Control Matters

Our audits also included an assessment of applicable internal controls and compliance with the requirements of School Board rules and related policies and procedures that would satisfy our audit objectives. In accordance with GAGAS, we are required to disclose and communicate to management control deficiencies identified during our audits. Other matters found not significant within the context of the audit objectives were communicated orally and/or in writing to management.

BACKGROUND

INTERNAL FUNDS

Section 1011.07, Florida Statutes, and State Board of Education Rule 6A-1.087, require annual audits of internal funds.

Internal funds are monies collected and expended within a school which are used for financing activities not otherwise financed by the School Board. These monies are collected in connection with school athletic events, fund-raising activities, various student activities and class field trips, after school care and Community School programs, gifts and contributions made by the band or athletic booster clubs, civic organizations, parent-teacher organizations, commercial agencies and all other similar monies, properties or benefits.

Each school administers their internal funds separately through an operational checking account, following District guidelines as established in the *Manual of Internal Fund Accounting*.

Prior to spending internal funds, schools invest their cash in designated depositories. Funds not used in the daily operations may be invested in the MDCPS-Money Market Pool Fund. The Fund's interest rate as of June 30, 2008 was 3.79%.

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

- ◆ Annual audits of internal funds are required by Section 1011.07, Florida Statutes, and State Board of Education Rule 6A-1.087
- ◆ Internal Funds are revenues generated from student activities at the school level which are not part of the school's budget process
- ◆ Each school administers their internal funds separately through an operational checking account, following District guidelines as established in the *Manual of Internal Fund Accounting*
- ◆ Banks for school funds must be approved by the School Board and certified by the State Treasurer
- ◆ Idle funds in the operational account may be invested to yield interest revenue in a savings account, certificate of deposit or in the MDCPS-Money Market Pool Fund
- ◆ At June 30, 2008, the MDCPS-Money Market Pool Fund's interest rate was 3.79%.

PAYROLL

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

Each school processes its own biweekly payrolls. Timekeeping personnel enter the employees' time and attendance data on a centralized information system. After the information is entered into the system, it is approved by the principal on-line. Subsequently, the payroll department reviews the information and processes the payroll.

The process for distributing payroll checks and check advices has changed in 2009. Customarily, paper checks and check advices would be distributed at sites throughout the District by Treasury Management. Effective with the pay period which ended on March 5, 2009, *the district has changed payroll check distribution procedures in order to eliminate paper checks and check advices as a cost saving measure.* Employees who receive paper checks at the sites were requested to enroll in direct deposit for all payroll-related payments. Those employees who received check advices at the sites were directed to the Employee Portal located in the district's website to access their payroll information and print the payroll check advices. Although payroll check distribution at the sites has been greatly minimized, it has not been fully implemented, pending those employees who have not signed for direct deposit at this time.

PROPERTY

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

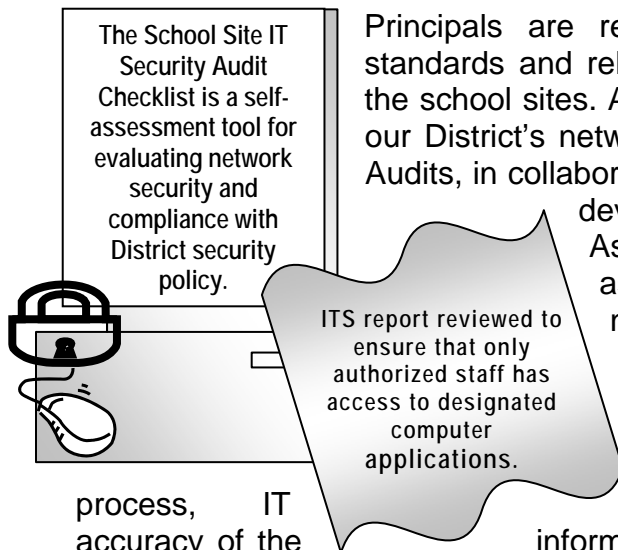
PURCHASING CREDIT CARD (P-CARD) PROGRAM

At the schools, principals administer the purchasing credit card program, which must comply with the guidelines established in the *Purchasing Credit Card Program Policies & Procedures Manual*.

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

- The P-Card Program enables schools to make small purchases of less than \$1,000 per individual transaction for materials and supplies
- It expedites the procurement process at the schools.

DATA SECURITY MANAGEMENT REPORT AND SCHOOL SITE IT SECURITY AUDIT ASSESSMENT



Principals are responsible for ensuring that network security standards and related security procedures are being observed at the school sites. As a means to enhance the safety and security of our District's network, the Office of Management and Compliance Audits, in collaboration with Information Technology Services (ITS), developed a checklist titled "School Site IT Security Assessment". This checklist acts as a self-assessment tool for the schools to evaluate their IT network security and school-site compliance with Network Security Standards and all other related district security policies. Once the checklist is completed, it is submitted to our office for review. As part of the regular school audit process, IT accuracy of the information provided on the checklist, and will make recommendations for improving network security as needed.

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

FULL-TIME EQUIVALENT (FTE)

Miami-Dade County Public Schools receives a significant portion of its revenue from State funding through the Florida Education Finance Program (FEFP).

The funding provided by FEFP is based upon the number of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student's hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an unweighted FTE. FEFP funds are primarily

Section 1010.305, Florida Statutes vests the Auditor General with the authority to periodically examine the records of school districts, determine compliance with State law and State Board of Education rules relating to the classification, assignment, and verification of full-time equivalent student enrollment and student transportation reported under FEFP. These audits are conducted every three years.

generated by multiplying the number of FTE students in each of the funded educational programs by a cost factor to obtain weighted FTEs.

Schools are responsible for verifying student membership data submitted to the Florida Department of Education (FDOE) for funding purposes. This is accomplished through the FTE survey process.

The results of these surveys are FTE reports which allow schools to verify the data and make corrections as needed. Once this process is completed, the district transmits the information to the FDOE. During the 2008-09 FY, months selected by the FDOE for these surveys are as follows:

Survey Period No.	Time Period of Survey
1	July (Summer School only)
2	October
3	February
4	June (Summer School only)

Schools are also responsible for maintaining an audit trail to ascertain compliance with State law, State Board of Education and School Board Rules as they relate to student attendance, Special Education, English Language Learners, Cooperative Education and Teacher Certification.

Incomplete/inaccurate student records which do not adequately support/justify funding levels may give rise to losses in funding. Similarly, teacher certification is closely linked to FTE funding and must be monitored on an ongoing basis to prevent similar losses in funding to the District. Aside from the monetary losses, non-compliance issues are closely reviewed by the Auditor General and included in their reports.

As of the 2007-08 fiscal year, FTE audits have been incorporated as part of the school audits routinely performed by the Office of Management and Compliance Audits. FTE audits are conducted at selected schools based on audit criteria developed by this office.

DADE COUNTY ATHLETIC EQUALIZATION FUND

The Dade County Athletic Equalization Fund was established to aid the athletic programs at senior high schools in financial distress.

To assure the viability of this Fund, schools are required to repay amounts borrowed, for which no interest is charged.

The transactions of the Miami-Dade County Athletic Equalization Fund are recorded in a Trust Fund account maintained in the internal funds of Coral Gables Senior High School.

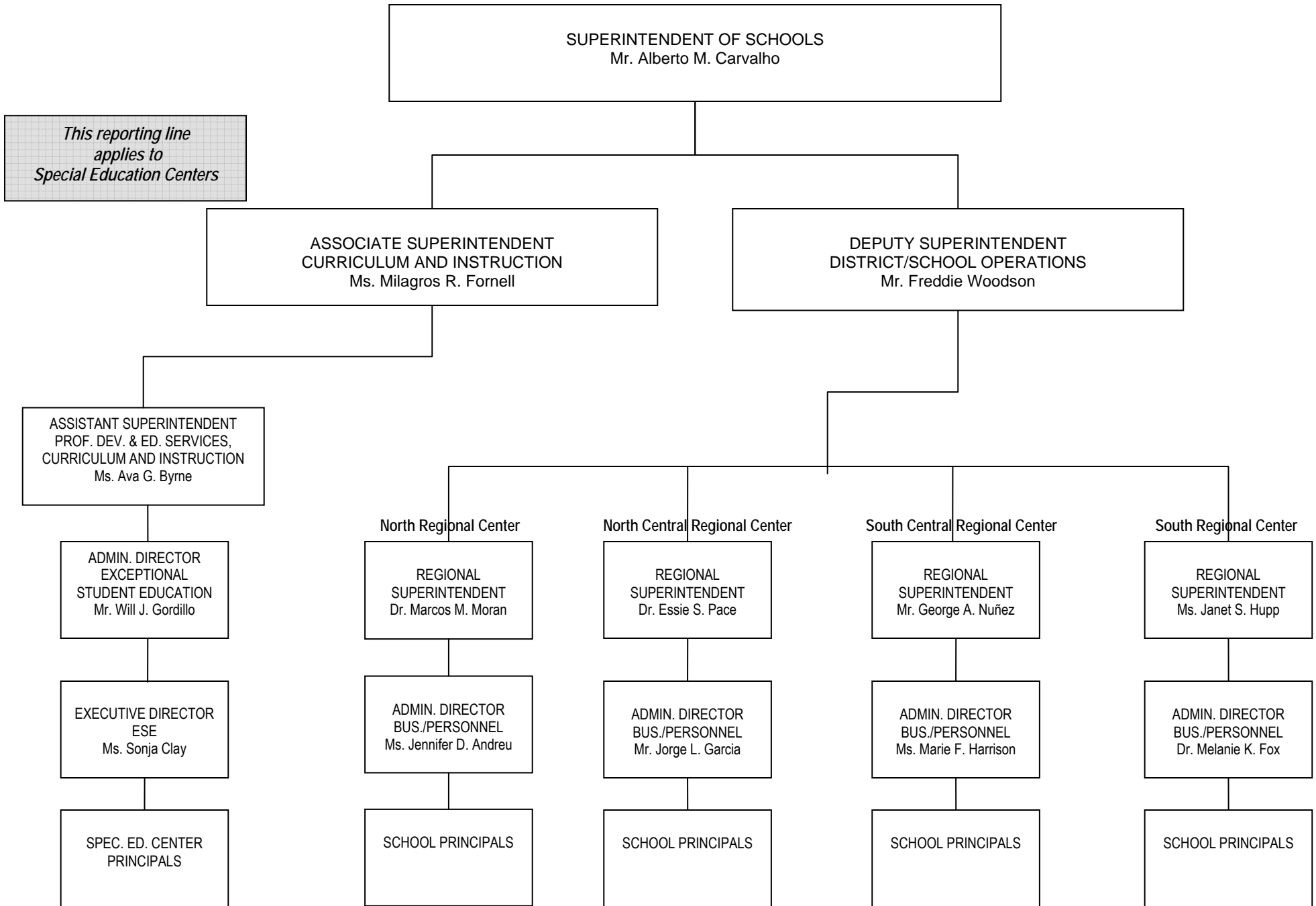
During the audit period up to July 11, 2008, the transactions of the Miami-Dade County Athletic Equalization Fund were recorded in a Trust Fund account maintained in the internal funds of Coral Gables Senior High School. As of July 11, 2008, the fund's balance was transferred over to the Greater Miami Athletic Conference (GMAC), and the account at Coral Gables Senior has been closed. Similarly, the Principal of Coral Gables Senior High School served as the trustee during the audit period up to the date of the transfer. At the present time, the GMAC's Executive Secretary serves as the trustee of the funds. During the audit period and as of the present, an Administrative Director with ABC and Athletics administers this fund.

The interest received from the bank during the audit period was deposited in the Coral Gables Senior High School's General Fund to defray some of the costs of administering the Equalization Fund.



The Fund's main objective is to assist athletic programs of senior high schools in financial distress by providing interest-free loans.

ORGANIZATIONAL CHART



This reporting line applies to Special Education Centers

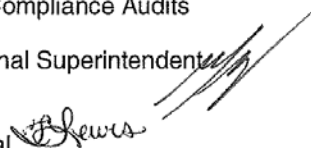
APPENDIX-MANAGEMENT'S RESPONSE

MEMORANDUM

May 25, 2009

TO: Mr. Jose F. Montes de Oca, Interim Chief Auditor
Office of Management and Compliance Audits

FROM: Dr. Marcos M. Moran, Regional Superintendent
North Regional Center

BY: Ms. Tracie N. Lewis, Principal 
Parkway Elementary School

**SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF
PARKWAY ELEMENTARY SCHOOL**

The following is a response to relevant findings in the school audit report of Parkway Elementary School.

RECOMMENDATIONS

Bookkeeping Function

- 1.1. Strengthen the review and oversight over the bookkeeping function and the collection process to ensure that monies are timely receipted, recorded and deposited. Also, ensure that the bookkeeper understands and adheres to the procedures and timelines.
- 1.2. Ensure that school staff understands and adheres to the procedures for submitting the collections; and instruct staff to request a receipt from the bookkeeper immediately after collections exchange hands.
- 1.3. Ensure that the bank is sending copies of the reverse of cancelled checks.

Person(s) Responsible: Principal, Assistant Principal, Secretary/Treasurer

Management Response: The principal has thoroughly reviewed the findings cited in the Internal Funds Audit Report for the 2007 – 2008 fiscal year. Subsequently, a meeting was conducted with the secretary/treasurer to review, develop and implement a corrective plan of action and preventive strategies.

During the meeting, the principal reviewed Section II, Chapters 2 and 3, of the Manual of Internal Fund Accounting, which established the procedures for receipting, recording and depositing the monies associated with internal funds activities; and Section V, Chapter 1 of the manual which requires schools to maintain on file copies of the front and reverse of the cancelled checks that the bank provides.

During the meeting, the principal shared the corrective plan of preventative strategies with the treasurer to ensure compliance of established procedures. The principal has implemented corrective and preventative strategies to avoid the recurrence of similar

APPENDIX-MANAGEMENT'S RESPONSE

conditions in future audits. The principal will assume a more active role in monitoring the treasurer's performance and functions in an effort to ensure proper procedures are strictly adhered to.

The following corrective measures and preventative strategies were established for immediate implementation:

The principal directed the secretary/treasurer to establish a contract with the armored car service to begin collecting deposits for the remainder of the school year and the 2009 - 2010 school year. The principal directed the secretary/treasurer to process entries and post deposits in a timely manner. The secretary/treasurer was directed to print the Daily Activity Report and the deposit summary from the MSAF system to ensure that receipts are posted properly and timely, that the deposit package includes the summary of receipt transactions, and that monies recorded are deposited on time. On a weekly basis, the principal will review the receipt documentation and the deposit packages. Any noted discrepancies will be addressed immediately by the principal and treasurer.

The principal has established a procedure and reviewed it with staff which includes scheduling activities on a master calendar with specific sponsors for each activity. The collection of funds, and the receiving of a receipt to signify the exchange of monies will be verified by the principal prior to submission to the treasurer. This measure is designed to ensure the accuracy of monitored collections and verification of deposits. The principal will review posting of receipts to ensure that all accounting policies and procedures are followed and completed in a timely manner.

The principal will meet with the secretary/treasurer to review bank statements and MSAF posted transactions, monthly reconciliation, adjusted entries, deposits in transit and any unusual activity prior to signing monthly reconciliation reports.

The principal directed the secretary/treasurer to contact the bank to request that copies of the front and reverse of cancelled checks be sent to the school as stipulated in the Manual of Internal Funds Accounting.

The principal has instructed the secretary/treasurer and other clerical staff who disburse the daily mail to deliver the monthly bank statement and all billing correspondence unopened and directly to the principal for initial review. In the absence of the principal, the assistant principal will perform the initial review prior to giving to the treasurer.

If there are any additional questions, please contact me. Thank you for your assistance and cooperation.

cc: Mr. Freddie Woodson
Ms. Jennifer D. Andreu
Ms. Lourdes Gimenez
Ms. Cynthia Gracia

APPENDIX-MANAGEMENT'S RESPONSE

MEMORANDUM

June 1, 2009

TO: Mr. Jose F. Montes de Oca, Interim Chief Auditor
Office of Management and Compliance Audits

FROM: Dr. Marcos M. Moran, Regional Superintendent *Marcos Moran*
North Regional Center

BY: Dr. Rosann P. Sidener, Principal *Rosann P. Sidener*
Miami Beach Senior High School

SUBJECT: **ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF MIAMI BEACH SENIOR HIGH SCHOOL**

Dr. Moran has reviewed the findings with this administrator and has established procedures and controls in order to eliminate audit exceptions in the future.

RECOMMENDATIONS

Financial Records

1.1. Although we recognize the extenuating circumstances, which may have contributed to the loss/misplacement of financial records, going forward, the school administration should identify a safe and secure area for the storage of records associated with the school's financial activities, for which only key personnel should have immediate access. We further recommend that the records be inventoried and periodically reviewed to prevent their misplacement.

Person(s) Responsible: Principal, Assistant Principal, Treasurer, Registrar

Management Response:

After the renovation of Building 1 was completed, the Principal reassigned offices and storage space. A dedicated storage room close to the treasurer's office was rekeyed and designated for secure storage of financial records. The keys have been designated to the treasurer and the Principal. The treasurer is assigned sole responsibility for guardianship of the contents of this room. The Registrar serves as the back up for the treasurer, only in her absence from the work site. The records were inventoried on May 15, 2009. They will be reviewed by the Assistant Principal and the treasurer quarterly, and by the Principal every December and June to prevent misplacements.

APPENDIX-MANAGEMENT'S RESPONSE

Yearbook

- 2.1. Ensure that staff understands and adheres to the procedures for completing the yearbook reports, and for maintaining on file complete documentation related to the activity.
- 2.2. Identify a secure place for storing yearbooks, and ensure that access is restricted to key personnel.
- 2.3. Ensure that staff understands and adheres of the procedures for safeguarding the collections.

Person(s) Responsible:

Principal, Assistant Principal,
Yearbook Sponsor, Treasurer

Management Response:

2.1 On May 29, 2009, the principal reviewed Section IV, Chapter 6 of the Manual of Internal Fund Accounting, specific to Yearbook activities and Section II, chapter 2 of the manual specific to the collection/deposit of funds with the yearbook sponsor, who signed a memorandum acknowledging that she had reviewed the policies and procedures. Each month, time will be scheduled for the yearbook sponsor to come to the main office to complete the monthly report in a quiet space. When the report is complete, the treasurer will review the report with the sponsor. It will then reviewed by the Assistant Principal and the Principal prior to being placed in the file.

In June, time will be scheduled for the yearbook sponsor to come to the main office to complete the annual report. After completion, the report will be reviewed with the Treasurer and Assistant Principal and the left over inventory will be counted and be verified. The Principal will complete a final review of the documents after the initial review is complete.

All end of the year reports, i.e. bid tally's etc., will be reviewed and submitted to the treasurer within 10 days after bid opening.

2.2 The yearbooks will be stored in the newly dedicated storage room upon receipt. Two adults will be present anytime the room is opened, to include the yearbook sponsor and the treasurer, the registrar or an administrator.

Yearbooks will be distributed from the back counter adjacent to the room during lunchtime only. The yearbook sponsor and the treasurer are responsible to ensure that the yearbooks that have been removed are recorded on a sign-out sheet posted in the room and the door to the storage room is closed and locked before leaving the area.

Inventory will be updated each time books are removed and verified once the current yearbook sales period has been completed. Any books remaining will be turned in to the Principal.

APPENDIX-MANAGEMENT'S RESPONSE

2.3 The administration and the yearbook sponsor developed these procedures via a collaborative process to ensure that the staff had both input into and understanding of the procedures established by this memorandum.

At the beginning of the year, the Yearbook Sponsor will establish days/dates when yearbook payments will be collected. All collections will be received during lunch hour in the main office and turned in to the Treasurer, or placed in the vault at the end of the daily collection period. Collections will not take place in the yearbook room. Announcements will be made to inform the students of new procedures for paying for the yearbooks. Additionally, these procedures will be explained to the entire staff at the opening of school to ensure that they are aware of and acknowledge the policy.

cc: Mr. Freddie Woodson
Ms. Jennifer D. Andreu
Ms. Lourdes P. Gimenez
Ms. Cynthia Gracia

APPENDIX-MANAGEMENT'S RESPONSE

MEMORANDUM

May 26, 2009

TO: Mr. Jose F. Montes de Oca, Interim Chief Auditor
Office of Management and Compliance Audits

FROM: Dr. Marcos M. Moran, Regional Superintendent
North Regional Center

BY: Mr. Raymond Fontana, Principal
North Miami Beach Senior High School

**SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF
NORTH MIAMI BEACH SENIOR HIGH SCHOOL**

As a result of the internal audit report for North Miami Beach Senior High School, the following recommendations were reviewed and appropriate responses developed to ensure that these problems are rectified and will not reoccur.

RECOMMENDATIONS

School Site IT Function

RECOMMENDATIONS

- 1.1. Obtain the monthly RACF report (ITS product number T0802E0101), review for proper staff authorizations, sign, and maintain on file. Immediately revoke access to unauthorized personnel.
- 1.2. Ensure that all agency-owned computers connected to the MDCPS network are protected by an effective and current antivirus installation (SOPHOS is recommended). All MDCPS-owned PCs should be migrated to the DADESCHOOLS domain as soon as possible.
- 1.3. Review all computers to ensure that: 1) there is presence of district mandated antivirus software; 2) computers capable of being joined or bound are incorporated as members of the DADESCHOOLS domain; and 3) unauthorized games are uninstalled as soon as possible.

APPENDIX-MANAGEMENT'S RESPONSE

software licensing documentation in a manner conducive to review. In addition, maintain local administrator password(s) on file, updated if changed, and ensure that the location of such file is available to administrative staff for retrieval if necessary.

- 1.5. Develop and document a disaster recovery plan and backup routine with the assistance of the SBT.

Person(s) Responsible: Principal, Assistant Principal, School Based Technician

Management Response:

The following corrective measures and preventative strategies have been instituted to insure that all IT Security Standards have been met.

The principal will obtain the monthly RACF report, review for proper staff authorization, sign, and maintain a copy on file. This report has been reviewed, and amended as needed.

The School Based Technician (SBT) will ensure that all agency-owned computers connected to the MDCPS network are protected by an effective antivirus installation (SOPHOS) immediately. Also, all MDCPS-owned PCs will be migrated to the DADESCHOOLS domain by June 5, 2009.

Effective immediately, the principal directed the SBTs to employ the district's management tool (Big Fix) to insure that district antivirus is installed on all machines and that no unauthorized games are installed. The assistant principal will monitor this on a monthly basis.

The principal will immediately review the Network Security Standards with the SBT to make sure they are understood and implemented. The assistant principal will maintain and control all licensing documentation in a central file and location. He will also maintain local administrator passwords on file and update as needed.

The principal will develop a disaster recovery plan and backup routine with the assistance of the SBT. This will be in place as of June 12, 2009. The principal, AP, and SBT will continue to monitor IT security procedures on a monthly basis to ensure compliance of all M-DCPS Network Security Standards and submit their findings in writing to the file.

cc: Mr. Freddie Woodson
Ms. Jennifer Andreu
Ms. Cynthia Gracia
Mr. Paul Greenfield

APPENDIX-MANAGEMENT'S RESPONSE

MEMORANDUM

May 26, 2009

TO: Mr. Jose F. Montes de Oca, Interim Chief Auditor
Office of Management and Compliance Audits

FROM: Dr. Marcos M. Moran, Region Superintendent
North Regional Center

BY: Raymond L. Fontana, Principal
North Miami Beach Senior High School

SUBJECT: Theft of Property – Plant Security

During the 2008-2009 school year, breaches within the security of North Miami Beach Senior High have resulted in seven items, including 5 computers, 1 lawnmower, and 1 golf cart, being taken from North Miami Beach Senior High School. The total value of these items is \$14,591 at cost and \$8,159 at depreciated value. The equipment may have disappeared during the time that the school was under construction, and outside employees had access to equipment that was not properly safeguarded.

Below are some corrective measures taken to prevent additional loss of property:

- The school is conducting yearly internal property audits.
- The exterior gate locks have been replaced with restrictive access.
- The lock to the lawn mower storage area was replaced with restrictive access.
- Reminders regarding the control and monitoring of property controlled items will be reviewed at faculty and staff meetings.

Should you require additional information, please contact me directly at 305 949-8381 extension 2231.

Cc: Mr. Freddie Woodson
Ms. Jennifer D. Andreu
Ms. Cynthia Gracia
Mr. Paul Greenfield

**INTERNAL AUDIT REPORT
SELECTED SCHOOLS
JUNE 2009**



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