



***Miami-Dade County Public Schools***

***Internal Audit Report***

***Selected Schools/Centers***

*The Financial Statements Were Fairly Stated  
For All Schools/Centers  
And Property Inventory Results Were  
Satisfactory For Most Schools/Centers In  
This Report.*

*At Four Of 55 Schools/Centers,  
Management's Oversight Of The  
Bookkeeping Function, School-Sponsored  
Activities And Payroll's Time, Attendance  
And Reporting Procedures  
Need Improvement.*

**MAY 2018**

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA**

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Office of Management and Compliance Audits

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# *Miami-Dade County Public Schools*

## *Office of Management and Compliance Audits*

### *Report in Brief*

#### **Background**

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

#### **Audit Objectives and Areas of Audit Coverage**

Our audit objectives were to express an opinion on the financial statements of the schools/centers, evaluate compliance with District policies and procedures, and ensure that assets were properly safeguarded. The audits included a review of internal funds at all schools/centers. On a selected basis, we reviewed Title I Program procedures and Full-Time Equivalent (FTE) reporting and student records. Generally, as part of audit follow-ups, we reviewed payroll, the Purchasing Card program, and certain aspects of school site data security. The audits also included the results of property inventories at those schools/centers where an inventory was performed.

## Internal Audit Report Audit of Selected Schools/Centers May 2018

#### **Total Schools/Centers Audited and Audit Scope**

This report includes the audit results of 55 schools/centers currently reporting to School Operations. The audit period of four of the 55 schools/centers reported herein is two fiscal years ended June 30, 2017; while the audit period of the remaining 51 schools/centers is one fiscal year ended June 30, 2017. At five schools/centers, there was a change of Principal since the prior audit.

#### **What We Found**

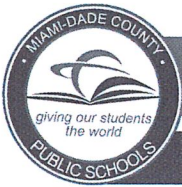
Audit results proved satisfactory at 51 of the 55 schools/centers reviewed, and property inventory results for most schools/centers were also satisfactory. The financial statements of all schools/centers were fairly stated. At three schools/centers, our audits identified control weaknesses in the bookkeeping function, the financial oversight of school activities, and the implementation of payroll procedures. At one adult education center, we found inadequate oversight over the reconciliation of third party billings and over timelines for the transmittal of fees.

#### **What We Recommended**

School-site, Region and District administrations will be implementing the following corrective actions:

- Re-training staff involved with bookkeeping, payroll and oversight of school activities, including the yearbook activity
- Discussing procedures established in the *Manual of Internal Fund Accounting* and the *Payroll Processing Procedures Manual* with staff to ensure compliance going forward
- Strengthening management's oversight over the affected fiscal/payroll areas.





# Miami-Dade County Public Schools

*giving our students the world*

**Superintendent of Schools**

Alberto M. Carvalho

**Interim Chief Auditor**

Iraida R. Mendez-Cartaya, CPA

**Miami-Dade County School Board**

Perla Tabares Hantman, Chair

Dr. Martin Karp, Vice Chair

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Dr. Lawrence S. Feldman

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Lubby Navarro

Dr. Marta Pérez

Mari Tere Rojas

April 24, 2018

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

Ladies and Gentlemen:

This report includes the audit results of 55 schools/centers currently reporting to the North Region Office, the Central Region Office, the South Region Office, or the Office of Adult/Vocational, Alternative and Community Education within School Operations. The audit period of four of the 55 schools/centers reviewed is two fiscal years ended June 30, 2017; while the audit period of the remaining 51 schools/centers is one fiscal year ended June 30, 2017. At five schools/centers, there was a change of Principal since the prior audit.

The main objectives of these audits were to express an opinion on the financial statements of the schools/centers, evaluate compliance with District policies and procedures, and ensure that assets were properly safeguarded. The audits included a review of internal funds at all 55 schools/centers. On a selected basis, we reviewed Title I Program procedures and Full-Time Equivalent (FTE) reporting and student records. Generally, as part of audit follow-ups, we reviewed payroll, the Purchasing Card program, and certain aspects of school site data security. The audits also included the results of property inventories of all 55 schools/centers.

Audit results proved satisfactory at 51 of the 55 schools/centers, and property inventory results for most schools/centers were also satisfactory. The financial statements of the schools/centers were fairly stated. At four schools/centers, depending on the individual school/center audited, our audits concluded that management's oversight over the bookkeeping function, certain school-sponsored activities, and payroll needed improvement.

We discussed the audit findings with school, region and district administrations, and their responses are included in this report. In closing, we would like to thank the schools/centers' staff and administration for the cooperation and consideration provided to the audit staff during the performance of these audits.

Sincerely,

Iraida R. Mendez-Cartaya, CPA

Interim Chief Auditor

Office of Management and Compliance Audits

IRM-C:mtg



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## EXECUTIVE SUMMARY

The Office of Management and Compliance Audits has completed the audits of 55 schools/centers. These include 22 that report to the North Region Office; 22 that report to the Central Region Office; nine that report to the South Region Office and two that report to the Office of Adult/Vocational, Alternative and Community Education within School Operations. For four of the schools/centers reported herein, the scope of the audit was two fiscal years ended June 30, 2017. For the remaining 51 schools/centers, the scope of the audit was one fiscal year ended June 30, 2017. At five schools/centers, there was a change of Principal since the prior audit.

The audits disclosed that, of the 55 schools/centers, 51 maintained their records in good order and in accordance with prescribed policies and procedures. Four schools/centers with audit findings and the affected areas are as follows:

Work Loc. No.	Name of School/Center <i>Principal's Tenure</i>	Region Office	Audit Scope	Change Of Principal Since Prior Audit	Prior Audit Findings At This School/ Center	Current Audit-- Total Audit Findings Per School/ Center	Audit Findings Per Internal Audit Category		
							Internal Funds		Payroll
							Book-keeping	Student Sponsored and Yearbook Activities	Time and Attendance
2911	1. Linda Lentin K-8 Center <i>Same Principal as in prior audit-no change.</i>	North	2015-2016 2016-2017	No	No	2	1		1
3821	2. North County K-8 Center <i>Same Principal as in prior audit-no change.</i>	North	2015-2016 2016-2017	No	No	1	1		
6171	3. Henry H. Filer Middle <i>Audit findings mostly attributed to former Principal. New Principal effective July 2017.</i>	North	2015-2016 2016-2017	Yes	No	2	1	1	
7462	4. Miami Senior Adult Education Center <i>Same Principal as in prior audit-no change.</i>	Adult Ed.	2015-2016 2016-2017	No	No	1	1		
Totals	4 Schools/Centers					6	4	1	1

At three schools/centers, our audits identified control weaknesses in the bookkeeping function, the financial oversight of school activities, and the implementation of payroll procedures. At one adult education center, we found inadequate oversight over the reconciliation of third party billings and over timelines for the transmittal of fees. The table also illustrates the audit scope of the individual school/center, whether a change of Principal since the prior audit occurred, the tenure of the administration under which the finding was assessed, and whether findings were recurrent/consecutive.

More specific details regarding prior/current findings, names of Principals and timeframes of their administrative assignments are provided on pages 20-35 of this report.

A Summary Schedule of Audit Findings listing audit results of current and prior audit periods for all schools/centers in this report is presented on pages 20-27. Management responses are included following the recommendations in the *Findings and Recommendations* section of this report (Pages 42-75); and in the *Appendix Section* in memorandum format (Pages 86-104).

## INTERNAL FUNDS

Internal funds records and procedures were reviewed at all 55 schools/centers. At 51 of the 55 schools/centers, we determined there was general compliance with the procedures established in the *Manual of Internal Fund Accounting*. At four schools/centers, we found that:

- At Linda Lentin K-8 Center, bookkeeping discrepancies affected the year-end bank reconciliation, resulted in internal fund account deficits and disclosed non-compliance with certain internal fund disbursement and documentation guidelines. Most discrepancies happened after the hiring of the current Treasurer in January 2017. Although this individual has worked for several years in the school system, this was the first time that she performed bookkeeping duties within the school setting. At the present time, the individual continues working at the school in the same capacity (refer to school finding on pages 42-47).
- At North County K-8 Center, we uncovered bookkeeping discrepancies and a pattern of overspending in certain accounts within the internal funds of the school. This led to certain individual account deficits, some of which were not corrected during the 2017-2018 fiscal year as of our audit visit. Bookkeeping discrepancies involved account misclassifications, the incorrect selection of account structures when posting revenues and disbursements in the system, and delays in the posting of some of the transactions. We also observed delays in the handling of collections, and disbursement documentation related to vendor quotations that was incomplete, not on file, or where items quoted did not match items purchased (refer to school finding on pages 52-57).
- At Henry H. Filer Middle, oversight over the bookkeeping function was inadequate during both fiscal years covered in the audit. Discrepancies involved delays in the remittance of collections; instances where vendor quotations supporting the disbursements were incomplete or not on file; and account adjustments, as well as outstanding checks that were listed in the monthly account reconciliations for lengthy periods of time. Several year-end activities for eighth-grade students and the yearbook activity disclosed a comingling of funds from various revenue sources in the eighth-grade accounts, and activity as well as yearbook reports that were not prepared. In addition, the yearbook did not raise sufficient funds to cover all associated expenditures. The current year's yearbook activity disclosed similar conditions, some of which appear to be carryover results from the prior year. A new Principal was assigned to this school effective July 2017 and two different Treasurers had been hired at this school since the 2014-2015 fiscal year audit. *Most of the findings cited herein happened under the tenure of the former school administration* (refer to school findings on pages 58-64 and 65-69).

- At Miami Senior Adult Education Center, sales receivables, totaling approximately \$9,000, some dating back to 2015-2016, remained outstanding due to a school-site bookkeeping oversight. For most of these receivables, staff applied payments received from the sponsoring entity (third party) to the incorrect transaction; and the misalignment contributed to some of the receivables not being submitted to the third party for payment. For a few other receivables, staff attempted to collect payment; however, did not timely follow up, and only a portion of the funds may be recovered from the third party at this time. In addition, our review of the *Tuition Cash Transmittal Reports* disclosed that aggregate fees corresponding to both the 2015-2016 and 2016-2017 fiscal years totaling approximately \$6,300 were not transmitted to the district. This lapse ensued from miscommunication between school and district staff (refer to school finding on pages 70-75).

## PROPERTY

The results of physical inventories of property items with an individual cost of \$1,000 or more are reported for all 55 locations included in this report. At these schools/centers, Property Audits staff inventoried approximately 12,000 equipment items with a total approximate cost of \$29.8 million. Of the 55 inventories, 51 proved satisfactory. At four schools/centers, a total of five items with a cost of approximately \$15,400 and depreciated value of approximately \$4,700 could not be accounted for (refer to Property Schedule on pages 36-40).

Property inventories also include the review of property losses reported by the schools/centers through the Plant Security Report process. Our analysis of Plant Security Report losses disclosed that 25 items with a total acquisition cost of approximately \$66,500 and a depreciated value of approximately \$3,900 were reported missing at four locations. Items consisted of computers/laptops, radio equipment and maritime equipment (refer to Plant Security Report Schedule on page 41).

## PAYROLL

We reviewed payroll records and procedures at the following four schools/centers. Reviews at most of these schools were a follow-up to a payroll condition cited in the prior audit of the individual school/center:

Work Location No.	Schools/Centers	Audit Period	Region
5481	Treasure Island Elementary	2017-2018	North
2911	Linda Lentin K-8 Center	2016-2017 and 2017-2018	North
2501	Holmes Elementary	2017-2018	Central
6781	Richmond Heights Middle	2017-2018	South

At three of the four schools/centers, there was general compliance with the *Payroll Processing Procedures Manual*.

- At Linda Lentin K-8 Center, during our review of 2016-2017 fiscal year payroll expenditures charged to the Title I Program, we found that payroll records were disorganized. In addition, during our initial school site visit in September 2017, we observed instances where staff was not complying with payroll sign-in procedures. Consequently, we extended our review to current payrolls and found that Daily Payroll Attendance Sheets and leave cards were not properly completed. At this school, the school Treasurer acts as the school's payroll clerk in charge of inputting and filing the payroll (refer to school finding on pages 48-51).

## **PURCHASING CREDIT CARD (P-CARD) PROGRAM**

At Holmes Elementary, we reviewed the P-Card Program's procedures and records corresponding to the 2017-2018 fiscal year. This review was a follow-up to a prior audit finding. Our review disclosed that the school was generally compliant with the P-Card Program documentation and procedures.

## **TITLE I PROGRAM EXPENDITURES AND PROCEDURES**

At Linda Lentin K-8 Center, we reviewed Title I Program expenditures and procedures corresponding to the 2016-2017 fiscal year. Aggregate expenditures incurred under various Title I programs amounted to approximately \$732,700. Except for the non-compliant payroll-related issues discovered during our review of payroll expenditures charged to the Title I Program, as detailed in the individual school audit finding and in this report's Executive Summary of payroll findings, this center was otherwise compliant with Title I Program procedures, and we determined that expenditures charged to the Title I Program accounts during 2016-2017 were appropriate.

## **DATA SECURITY**

We reviewed the report titled "*Authorized Applications for Employees by Locations Report*" at the following two schools/centers:

Work Location No.	Schools/Centers	Audit Period	Region
2911	Linda Lentin K-8 Center	2017-2018	North
0261	Bel-Aire Elementary	2017-2018	South

Our review disclosed that both schools/centers generally complied with the review of the report and with the requirements for granting staff's access to system applications.



## FULL-TIME-EQUIVALENT (FTE) FUNDING

The following eight schools/centers were selected:

Work Location No.	Schools/Centers	Region	Survey Period (SP)	FTE Funding
3701	Norland Elementary	North	2017-18 SP 2	\$ 1,850,971
4881	Scott Lake Elementary	North	2017-18 SP 2	1,166,234
5021	Ben Sheppard Elementary	North	2017-18 SP 2	2,541,161
5601	Twin Lakes Elementary	North	2017-18 SP 2	1,279,965
2501	Holmes Elementary	Central	2017-18 SP 2	1,427,250
6011	Georgia Jones-Ayers Middle	Central	2017-18 SP 2	1,127,602
0261	Bel-Aire Elementary	South	2017-18 SP 2	725,578
6781	Richmond Heights Middle	South	2017-18 SP 2	1,233,341
Total FTE Funding:				\$ 11,352,102

Our FTE reviews disclosed that all eight schools/centers were generally compliant with District policy. Those discrepancies identified during the audits were shared with the school and district administrations for their information, follow-up and support to the schools.

## AUDIT OPINION

The following tables summarize total receipts, disbursements and Fund Balance as of June 30, 2016 and/or June 30, 2017, for the 55 schools/centers included herein, depending on the year(s) audited for each individual school/center. It also provides the audit opinion regarding the schools/centers' financial statements:

## CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2016

The Condensed Annual Financial Report and Total Cash and Investments as of June 30, 2016 for four of the 55 schools/centers are as follows. These are the four schools/centers with two-year audits:

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Total Receipts	Total Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
North Region Office Schools/Centers											
2911	Linda Lentin K-8 Center	\$ 16,913.11	\$ 121,292.49	\$ (124,161.93)	\$ 14,043.67	\$ 6,796.91	\$ 7,246.76	\$ -	\$ -	\$ -	\$ 14,043.67
3821	North County K-8 Center	11,881.58	20,769.78	(23,268.20)	9,383.16	4,387.09	4,996.07	-	-	-	9,383.16
6171	Henry H. Filer Middle	30,129.80	78,022.12	(80,834.58)	27,317.34	11,478.93	15,838.41	-	-	-	27,317.34
Adult Education Center											
7462	Miami Senior Adult Education Center	225,801.21	352,946.34	(335,385.02)	243,362.53	46,728.40	154,257.30	-	42,376.83	-	243,362.53
TOTALS		\$ 284,725.70	\$ 573,030.73	\$ (563,649.73)	\$ 294,106.70	\$ 69,391.33	\$ 182,338.54	\$ -	\$ 42,376.83	\$ -	\$ 294,106.70

## CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2017

The Condensed Annual Financial Reports and Fund Balance as of June 30, 2017 for the 55 schools/centers reported herein are as follows:

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Total Receipts	Total Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
North Region Office Schools/Centers											
2081	Fulford Elementary	\$ 18,961.61	\$ 25,657.90	\$ (24,835.90)	\$ 19,783.61	\$ 7,997.92	\$11,785.69	\$ -	\$ -	\$ -	\$ 19,783.61
2111	Hialeah Gardens Elementary	16,053.00	320,026.38	(320,035.55)	16,043.83	8,706.18	7,337.65	-	-	-	16,043.83
3701	Norland Elementary	13,948.21	50,421.73	(52,191.29)	12,178.65	8,434.78	3,743.87	-	-	-	12,178.65
3981	North Twin Lakes Elementary	20,345.35	179,469.62	(182,845.10)	16,969.87	11,553.90	5,415.97	-	-	-	16,969.87
4881	Scott Lake Elementary	14,982.63	50,182.12	(48,632.79)	16,531.96	9,090.05	7,441.91	-	-	-	16,531.96
5021	Ben Sheppard Elementary	16,376.06	356,448.49	(353,804.24)	19,020.31	12,785.17	6,235.14	-	-	-	19,020.31
5481	Treasure Island Elementary	13,654.96	40,865.56	(25,939.56)	28,580.96	26,551.53	2,029.43	-	-	-	28,580.96
5601	Twin Lakes Elementary	32,727.51	27,120.08	(36,159.93)	23,687.66	6,130.35	17,557.31	-	-	-	23,687.66
5971	Nathan B. Young Elementary	6,136.15	11,957.70	(11,956.07)	6,137.78	4,765.16	1,372.62	-	-	-	6,137.78

# **CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2017**

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Total Receipts	Total Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
0092	Norman S. Edelcup/Sunny Isles Beach K-8 Center	31,248.50	134,061.33	(133,917.19)	31,392.64	28,246.20	3,146.44	-	-	-	31,392.64
2911	Linda Lentin K-8 Center	14,043.67	120,050.73	(123,094.02)	11,000.38	3,970.16	7,318.22	-	-	(288.00)	11,000.38
3821	North County K-8 Center	9,383.16	29,400.94	(29,784.05)	9,000.05	7,993.93	1,006.12	-	-	-	9,000.05
6051	Carol City Middle	11,649.09	32,655.92	(26,613.72)	17,691.29	8,937.89	8,753.40	-	-	-	17,691.29
6611	Country Club Middle	33,223.20	51,679.26	(54,554.45)	30,348.01	2,577.48	27,770.53	-	-	-	30,348.01
6171	Henry H. Filer Middle	27,317.34	77,343.02	(82,027.58)	22,632.78	7,258.24	15,994.54	-	-	(620.00)	22,632.78
6231	Hialeah Middle	36,025.59	78,586.03	(79,085.15)	35,526.47	18,057.96	17,468.51	-	-	-	35,526.47
6241	Highland Oaks Middle	16,621.30	242,522.57	(243,020.44)	16,123.43	3,927.54	12,180.89	-	15.00	-	16,123.43
6591	North Dade Middle	18,005.58	31,719.52	(31,438.57)	18,286.53	5,648.76	12,637.77	-	-	-	18,286.53
7751	Barbara Goleman Senior	200,524.27	469,495.82	(483,538.89)	186,481.20	8,955.66	177,525.54	-	-	-	186,481.20
7291	Jose Marti MAST 6-12 Academy	48,606.45	219,386.05	(206,931.76)	61,060.74	38,087.46	22,973.28	-	-	-	61,060.74

# **CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2017**

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Total Receipts	Total Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
7048	Alonzo and Tracy Mourning Senior High Biscayne Bay Campus	98,733.49	458,653.79	(449,922.06)	107,465.22	25,157.92	82,307.30	-	-	-	107,465.22
7541	North Miami Beach Senior	175,215.45	385,752.10	(393,450.65)	167,516.90	44,123.99	122,480.91	-	912.00	-	167,516.90
<u>Central Region Office Schools/Centers</u>											
0111	Maya Angelou Elementary	8,262.66	23,856.14	(23,411.69)	8,707.11	3,570.30	5,136.81	-	-	-	8,707.11
0201	Banyan Elementary	14,228.38	22,685.37	(21,388.54)	15,525.21	3,984.52	11,540.69	-	-	-	15,525.21
0801	Citrus Grove Elementary	18,871.86	68,551.80	(67,123.58)	20,300.08	19,471.65	828.43	-	-	-	20,300.08
1081	Coral Terrace Elementary	16,755.30	107,111.79	(107,684.06)	16,183.03	7,033.57	9,149.46	-	-	-	16,183.03
1841	Flagami Elementary	16,787.07	7,578.94	(9,119.71)	15,246.30	5,932.54	9,313.76	-	-	-	15,246.30
2501	Holmes Elementary	7,881.09	17,426.01	(15,649.98)	9,657.12	8,270.14	1,386.98	-	-	-	9,657.12
2661	Kensington Park Elementary	16,077.45	244,653.30	(246,865.70)	13,865.05	9,650.67	4,214.38	-	-	-	13,865.05
2781	Kinloch Park Elementary	40,985.82	154,146.51	(152,903.19)	42,229.14	4,361.55	37,867.59	-	-	-	42,229.14

# **CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2017**

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Total Receipts	Total Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
2821	Lakeview Elementary	6,293.35	22,178.40	(18,687.72)	9,784.03	6,426.01	3,358.02	-	-	-	9,784.03
3181	Melrose Elementary	16,007.05	14,694.24	(15,380.66)	15,320.63	6,570.54	8,750.09	-	-	-	15,320.63
4721	Rockway Elementary	13,479.85	150,168.36	(146,483.23)	17,164.98	7,093.98	10,071.00	-	-	-	17,164.98
4921	Seminole Elementary	28,194.02	29,511.65	(32,648.74)	25,056.93	11,622.83	13,434.10	-	-	-	25,056.93
5831	Henry S. West Laboratory School	16,200.15	41,818.54	(37,931.68)	20,087.01	19,037.47	1,049.54	-	-	-	20,087.01
5931	Phillis Wheatley Elementary	7,134.70	7,268.06	(7,135.82)	7,266.94	3,126.21	4,140.73	-	-	-	7,266.94
1601	Edison Park K-8 Center	11,532.93	13,359.23	(12,790.36)	12,101.80	7,797.72	4,304.08	-	-	-	12,101.80
2041	Benjamin Franklin K-8 Center	11,676.17	32,155.22	(32,099.66)	11,731.73	9,146.82	2,584.91	-	-	-	11,731.73
3501	Morningside K-8 Academy	14,039.39	30,703.51	(30,011.28)	14,731.62	5,582.53	9,149.09	-	-	-	14,731.62
6011	Georgia Jones-Ayers Middle	19,747.78	31,332.52	(31,207.11)	19,873.19	4,163.18	15,710.01	-	-	-	19,873.19
6331	Kinloch Park Middle	47,627.07	70,390.67	(64,801.91)	53,215.83	3,249.12	49,966.71	-	-	-	53,215.83

# **CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2017**

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Total Receipts	Total Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
7081	Design and Architecture (DASH) Senior	72,968.13	147,319.52	(162,644.59)	57,643.06	6,186.10	51,456.96	-	-	-	57,643.06
7161	Maritime & Science Technology (MAST) Academy	96,633.57	479,833.15	(472,210.03)	104,256.69	43,733.80	59,815.64	-	800.00	(92.75)	104,256.69
7301	Miami Edison Senior	83,253.93	165,875.56	(178,289.25)	70,840.24	16,422.27	54,417.97	-	-	-	70,840.24
<b>South Region Schools/Centers</b>											
0261	Bel-Aire Elementary	8,495.32	16,623.51	(18,014.24)	7,104.59	6,894.16	210.43	-	-	-	7,104.59
2541	Howard Drive Elementary	23,878.29	354,229.69	(359,638.32)	18,469.66	7,766.68	10,702.98	-	-	-	18,469.66
3111	Wesley Matthews Elementary	19,794.95	226,913.72	(227,310.55)	19,398.12	11,844.16	7,553.96	-	-	-	19,398.12
4581	Redland Elementary	28,830.00	78,944.25	(79,579.96)	28,194.29	8,057.04	20,137.25	-	-	-	28,194.29
5791	West Homestead K-8 Center	19,134.47	25,653.28	(26,360.10)	18,427.65	4,920.82	13,506.83	-	-	-	18,427.65
6111	Cutler Bay Middle	29,896.05	66,629.01	(67,778.75)	28,746.31	6,009.74	22,736.57	-	-	-	28,746.31
6781	Richmond Heights Middle	34,759.68	120,462.17	(126,025.23)	29,196.62	7,129.77	22,066.85	-	-	-	29,196.62

# **CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2017**

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Total Receipts	Total Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
7731	Miami Southridge Senior	108,816.34	398,734.61	(387,551.76)	119,999.19	44,224.08	75,719.11	-	-	56.00	119,999.19
7371	Robert Morgan Educational Center	130,666.49	454,858.28	(457,339.04)	128,185.73	23,171.74	105,013.99	-	-	-	128,185.73
<u>Adult Education Centers</u>											
7462	Miami Senior Adult Education Center	243,362.53	245,803.64	(247,735.58)	241,430.59	61,959.10	155,712.86	-	23,758.63	-	241,430.59
7532	Miami Sunset Adult Education Center	151,587.66	201,730.56	(190,620.82)	162,697.40	63,661.62	99,169.65	-	(133.87)	-	162,697.40
<b>TOTALS</b>		\$2,257,642.07	\$7,466,657.87	\$(7,468,201.80)	\$2,256,098.14	\$757,030.66	\$1,474,660.47	\$	\$25,351.76	\$ (944.75)	\$2,256,098.14



## AUDIT OPINION

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

Notwithstanding the exceptions below, the financial statements of the internal funds of the K-12 centers reported herein present fairly, in all material respects, the changes in fund balances from financial activity conducted during the 2015-2016 fiscal year up to January 31, 2016, on the cash basis of accounting; and from February 1, 2016 up to June 30, 2016, on the full accrual basis of accounting; and/or during the 2016-2017 fiscal year, on the full accrual basis of accounting, depending on the individual K-12 center audited (whether a one-year or a two-year audit). Regarding Miami Senior Adult Education Center and Miami Sunset Adult Education Center, the financial statements of the internal funds of these two centers present fairly, in all material respects, the changes in fund balances arising from financial activity conducted during the 2015-2016 and/or 2016-2017 fiscal years, on the full accrual basis of accounting<sup>1</sup>, depending on the adult education center audited (whether a one-year or a two-year audit).

As of June 30, 2016, for four<sup>2</sup> schools/centers reported herein, total receipts and disbursements amounted to \$573,031 and \$(563,650), respectively; while total combined Fund Balance amounted to \$294,107 (Page 6). These are the last four schools/centers to report this year with two fiscal year audits.

As of June 30, 2017, for all 55 schools/centers reported herein, total combined receipts and disbursements amounted to \$7,466,658 and \$(7,468,202), respectively; while total combined Fund Balance amounted to \$2,256,098 (Pages 7-12).

Notwithstanding the conditions and findings reported herein, as of June 30, 2017, the internal control structure at all schools/centers generally functioned as designed by the District and implemented by the school administration, except for those conditions reported at the individual schools/centers. With respect to the items tested, the schools/centers were in general compliance with the policies and procedures in the Manual of Internal Fund Accounting, except for those instances of non-compliance identified and reported at the individual schools/centers.

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

*Maria T. Gonzalez*

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

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<sup>1</sup> K-12 centers migrated to the new eSAS (full accrual) accounting system during 2015-2016, while adult education centers/technical colleges migrated to the new eSAS (full accrual) accounting system in April 2015 (2014-2015).

<sup>2</sup> This report includes three K-12 centers and one adult education center with a two-year audit (2015-2016 and 2016-2017); and 50 K-12 centers and one adult education center with a one-year audit (2016-2017). All three K-12 centers reported herein with two-year audits migrated to the new system on February 1, 2016.

## INTERNAL CONTROLS RATING

The internal control ratings for the four schools/centers reported herein **with audit exceptions** are depicted as follows:

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<u>North Region Office Schools/Centers</u>							
Linda Lentin K-8 Center		✓			✓		Likely to impact.
North County K-8 Center		✓			✓		Likely to impact.
Henry H. Filer Middle		✓			✓		Likely to impact.
<u>Adult Education Center</u>							
Miami Senior Adult Education Center		✓			✓		Likely to impact.

## INTERNAL CONTROLS RATING

The internal control ratings for the 51 schools/centers reported herein **without audit exceptions** are depicted as follows:

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<u>North Region Office Schools/Centers</u>							
Fulford Elementary	✓			✓			Not Likely to impact.
Hialeah Gardens Elementary	✓			✓			Not Likely to impact.
Norland Elementary	✓			✓			Not Likely to impact.
North Twin Lakes Elementary	✓			✓			Not Likely to impact.
Scott Lake Elementary	✓			✓			Not Likely to impact.
Ben Sheppard Elementary	✓			✓			Not Likely to impact.
Treasure Island Elementary	✓			✓			Not Likely to impact.
Twin Lakes Elementary	✓			✓			Not Likely to impact.
Nathan B. Young Elementary	✓			✓			Not Likely to impact.
Norman S. Edelcup/Sunny Isles Beach K-8 Center	✓			✓			Not Likely to impact.
Carol City Middle	✓			✓			Not Likely to impact.

## INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Country Club Middle	✓			✓			Not Likely to impact.
Hialeah Middle	✓			✓			Not Likely to impact.
Highland Oaks Middle	✓			✓			Not Likely to impact.
North Dade Middle	✓			✓			Not Likely to impact.
Barbara Goleman Senior	✓			✓			Not Likely to impact.
Jose Marti MAST 6-12 Academy	✓			✓			Not Likely to impact.
Alonzo and Tracy Mourning Senior High Biscayne Bay Campus	✓			✓			Not Likely to impact.
North Miami Beach Senior	✓			✓			Not Likely to impact.
<u>Central Region Office Schools/Centers</u>							
Maya Angelou Elementary	✓			✓			Not Likely to impact.
Banyan Elementary	✓			✓			Not Likely to impact.
Citrus Grove Elementary	✓			✓			Not Likely to impact.
Coral Terrace Elementary	✓			✓			Not Likely to impact.

## INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Flagami Elementary	✓			✓			Not Likely to impact.
Holmes Elementary	✓			✓			Not Likely to impact.
Kensington Park Elementary	✓			✓			Not Likely to impact.
Kinloch Park Elementary	✓			✓			Not Likely to impact.
Lakeview Elementary	✓			✓			Not Likely to impact.
Melrose Elementary	✓			✓			Not Likely to impact.
Rockway Elementary	✓			✓			Not Likely to impact.
Seminole Elementary	✓			✓			Not Likely to impact.
Henry S. West Laboratory School	✓			✓			Not Likely to impact.
Phillis Wheatley Elementary	✓			✓			Not Likely to impact.
Edison Park K-8 Center	✓			✓			Not Likely to impact.
Benjamin Franklin K-8 Center	✓			✓			Not Likely to impact.
Morningside K-8 Academy	✓			✓			Not Likely to impact.

## INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Georgia Jones-Ayers Middle	✓			✓			Not Likely to impact.
Kinloch Park Middle	✓			✓			Not Likely to impact.
Design and Architecture (DASH) Senior	✓			✓			Not Likely to impact.
Maritime & Science Technology (MAST) Academy	✓			✓			Not Likely to impact.
Miami Edison Senior	✓			✓			Not Likely to impact.
<u>South Region Office Schools/Centers</u>							
Bel-Aire Elementary	✓			✓			Not Likely to impact.
Howard Drive Elementary	✓			✓			Not Likely to impact.
Wesley Matthews Elementary	✓			✓			Not Likely to impact.
Redland Elementary	✓			✓			Not Likely to impact.
West Homestead K-8 Center	✓			✓			Not Likely to impact.
Cutler Bay Middle	✓			✓			Not Likely to impact.
Richmond Heights Middle	✓			✓			Not Likely to impact.

## INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Miami Southridge Senior	✓			✓			Not Likely to impact.
Robert Morgan Educational Center	✓			✓			Not Likely to impact.
<u>Adult Education Center</u>							
Miami Sunset Adult Education Center	✓			✓			Not Likely to impact.

## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

Summary of findings of the four schools/centers reported herein **with audit exceptions** are as follows:

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)/ <i>FTE Survey</i>	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
<u>North Region Office Schools/Centers</u>						
2911	Linda Lentin K-8 Center	Int. Funds: 2015-2016 2016-2017 Title I: 2016-2017 Payroll 2016-2017 2017-2018 Data Security: 2017-2018	2	<ul style="list-style-type: none"><li>• Bookkeeping</li><li>• Payroll</li></ul>	None	
3821	North County K-8 Center	Int. Funds: 2015-2016 2016-2017	1	<ul style="list-style-type: none"><li>• Bookkeeping</li></ul>	None	
6171	Henry H. Filer Middle <sup>(a)(b)</sup>	Int. Funds: 2015-2016 2016-2017	2	<ul style="list-style-type: none"><li>• Bookkeeping</li><li>• Student Activities and Yearbook</li></ul>	None	
<u>Adult Education Center</u>						
7462	Miami Senior Adult Education Center	Int. Funds: 2015-2016 2016-2017	1	<ul style="list-style-type: none"><li>• Receivables and Fee Transmittals (Bookkeeping)</li></ul>	None	
TOTAL			6		None	

Notes:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

(b) Findings mostly happened under the tenure of the former Principal.



## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

Summary of findings of the 51 schools/centers reported herein **without audit exceptions** are as follows:

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)/ <i>FTE Survey</i>	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
<u>North Region Office Schools/Centers</u>						
2081	Fulford Elementary	Int. Funds: 2016-2017	None		None	
2111	Hialeah Gardens Elementary	Int. Funds: 2016-2017	None		None	
3701	Norland Elementary	Int. Funds: 2016-2017 <i>FTE: 2017-18 SP2</i>	None		None	
3981	North Twin Lakes Elementary	Int. Funds: 2016-2017	None		None	
4881	Scott Lake Elementary	Int. Funds: 2016-2017 <i>FTE: 2017-18 SP2</i>	None		1	• Bookkeeping/ Financial Management
5021	Ben Sheppard Elementary	Int. Funds: 2016-2017 <i>FTE: 2017-18 SP2</i>	None		None	
5481	Treasure Island Elementary	Int. Funds: 2016-2017 Payroll: 2017-2018	None		3	• Bookkeeping • Disbursements • Payroll

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)/ FTE Survey	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
5601	Twin Lakes Elementary	Int. Funds: 2016-2017 FTE: 2017-18 SP2	None		None	
5971	Nathan B. Young Elementary	Int. Funds: 2016-2017	None		None	
0092	Norman S. Edelcup/Sunny Isles Beach K-8 Center	Int. Funds: 2016-2017	None		None	
6051	Carol City Middle	Int. Funds: 2016-2017	None		1	• Disbursements
6611	Country Club Middle	Int. Funds: 2016-2017	None		None	
6231	Hialeah Middle	Int. Funds: 2016-2017	None		None	
6241	Highland Oaks Middle	Int. Funds: 2016-2017	None		None	
6591	North Dade Middle	Int. Funds: 2016-2017	None		1	• Title I Program

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)/ FTE Survey	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
7751	Barbara Goleman Senior	Int. Funds: 2016-2017	None		None	
7291	Jose Marti MAST 6-12 Academy	Int. Funds: 2016-2017	None		None	
7048	Alonzo and Tracy Mourning Senior High Biscayne Bay Campus	Int. Funds: 2016-2017	None		None	
7541	North Miami Beach Senior	Int. Funds: 2016-2017	None		None	
<u>Central Region Office Schools/Centers</u>						
0111	Maya Angelou Elementary	Int. Funds: 2016-2017	None		None	
0201	Banyan Elementary	Int. Funds: 2016-2017	None		None	
0801	Citrus Grove Elementary	Int. Funds: 2016-2017	None		None	

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)/ FTE Survey	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
1081	Coral Terrace Elementary	Int. Funds: 2016-2017	None		None	
1841	Flagami Elementary	Int. Funds: 2016-2017	None		None	
2501	Holmes Elementary	Int. Funds: 2016-2017 P-Card & Payroll 2017-2018 FTE: 2017-18 SP2	None		2	<ul style="list-style-type: none"> <li>• P-Card/Title I Prog. Records</li> <li>• Payroll Sign-In Proceures</li> </ul>
2661	Kensington Park Elementary	Int. Funds: 2016-2017	None		1	<ul style="list-style-type: none"> <li>• FTE</li> </ul>
2781	Kinloch Park Elementary	Int. Funds: 2016-2017	None		None	
2821	Lakeview Elementary	Int. Funds: 2016-2017	None		None	
3181	Melrose Elementary	Int. Funds: 2016-2017	None		1	<ul style="list-style-type: none"> <li>• FTE</li> </ul>
4721	Rockway Elementary	Int. Funds: 2016-2017	None		None	

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)/ <i>FTE Survey</i>	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
4921	Seminole Elementary	Int. Funds: 2016-2017	None		None	
5831	Henry S. West Laboratory School	Int. Funds: 2016-2017	None		None	
5931	Phillis Wheatley Elementary	Int. Funds: 2016-2017	None		None	
1601	Edison Park K-8 Center	Int. Funds: 2016-2017	None		None	
2041	Benjamin Franklin K-8 Center	Int. Funds: 2016-2017	None		1	<ul style="list-style-type: none"> <li>• Bookkeeping/ Financial Management</li> </ul>
3501	Morningside K-8 Academy	Int. Funds: 2016-2017	None		None	
6011	Georgia Jones-Ayers Middle	Int. Funds: 2016-2017 <i>FTE: 2017-18 SP2</i>	None		1	<ul style="list-style-type: none"> <li>• Title I Program Property and CIS</li> </ul>
6331	Kinloch Park Middle	Int. Funds: 2016-2017	None		None	

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)/ FTE Survey	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
7081	Design and Architecture (DASH) Senior	Int. Funds: 2016-2017	None		None	
7161	Maritime & Science Technology (MAST) Academy	Int. Funds: 2016-2017	None		1	• FTE
7301	Miami Edison Senior <sup>(a)</sup>	Int. Funds: 2016-2017	None		None	
<u>South Region Office Schools/Centers</u>						
0261	Bel-Aire Elementary	Int. Funds: 2016-2017 Data Security: 2017-2018 FTE: 2017-18 SP2	None		2	• Bookkeeping • Disbursements
2541	Howard Drive Elementary	Int. Funds: 2016-2017	None		1	• ASC/PK Collections
3111	Wesley Matthews Elementary <sup>(a)</sup>	Int. Funds: 2016-2017	None		None	
4581	Redland Elementary	Int. Funds: 2016-2017	None		1	• Title I Payroll Expenditures

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)/ FTE Survey	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
5791	West Homestead K-8 Center	Int. Funds: 2016-2017	None		2	<ul style="list-style-type: none"> <li>Title I Program Equipment Inventory</li> <li>CIS Records</li> </ul>
6111	Cutler Bay Middle <sup>(a)</sup>	Int. Funds: 2016-2017	None		None	
6781	Richmond Heights Middle	Int. Funds: 2016-2017 Payroll: 2017-2018 FTE: 2017-18 SP2	None		3	<ul style="list-style-type: none"> <li>Bookkeeping</li> <li>CIS Records/Parent Resource Center</li> <li>Property Management</li> </ul>
7731	Miami Southridge Senior	Int. Funds: 2016-2017	None		1	<ul style="list-style-type: none"> <li>FTE</li> </ul>
7371	Robert Morgan Educational Center	Int. Funds: 2016-2017	None		1	<ul style="list-style-type: none"> <li>Fundraisers</li> </ul>
<u>Adult Education Center</u>						
7532	Miami Sunset Adult Education Center <sup>(a)</sup>	Int. Funds: 2016-2017	None		None	
<b>TOTAL</b>			<b>None</b>		<b>24</b>	

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## LIST OF SCHOOL PRINCIPALS

Listed below are the names of the former and current principals, as applicable for the four schools/centers **with audit exceptions**. The highlighted table cell represents the principal(s) in charge of the school/center during the audit period and/or responsible for the audit exception(s):

Work Loc. No.	Schools/Centers	Current Principal(s)	Former Principal(s)
<u>North Region Office Schools/Centers</u>			
2911	Linda Lentin K-8 Center	Ms. Monefe M. Young	N/A = No Change of Principal Since Prior Audit.
3821	North County K-8 Center	Ms. Melissa M. Mesa	N/A = No Change of Principal Since Prior Audit.
6171	Henry H. Filer Middle <sup>(a)(b)</sup>	Mr. John J. Donohue	Ms. Emirce Guerra (Through June 2017; presently Principal at Robert Renick Educational Center).
<u>Adult Education Center</u>			
7462	Miami Senior Adult Education Center	Mr. Alan J. Bashaw	N/A = No Change of Principal Since Prior Audit.

Notes:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

(b) All findings corresponding to 2016-2017 happened under the tenure of the former Principal; however, some similar conditions noted in the yearbook activity this current year, under the tenure of the current Principal.



## LIST OF SCHOOL PRINCIPALS

Listed below are the names of the former and current principals, as applicable for the remaining 51 schools/centers **without audit exceptions**. The **highlighted table cell represents the principal(s) in charge of the school/center during the audit period**:

Work Loc. No.	Schools/Centers	Current Principal(s)	Former Principal(s)
<u>North Region Office Schools/Centers</u>			
2081	Fulford Elementary	Dr. Jean E. Gordon	N/A = No Change of Principal Since Prior Audit.
2111	Hialeah Gardens Elementary	Ms. Rachel B. Autler	N/A = No Change of Principal Since Prior Audit.
3701	Norland Elementary	Dr. Christina M. Ravelo	N/A = No Change of Principal Since Prior Audit.
3981	North Twin Lakes Elementary	Mr. Jose R. Fernandez	N/A = No Change of Principal Since Prior Audit.
4881	Scott Lake Elementary	Ms. Lakesha M. Wilson-Rochelle	N/A = No Change of Principal Since Prior Audit.
5021	Ben Sheppard Elementary	Dr. Eduardo J. Tagle	N/A = No Change of Principal Since Prior Audit.
5481	Treasure Island Elementary	Ms. Dalia Villar	N/A = No Change of Principal Since Prior Audit.

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## LIST OF SCHOOL PRINCIPALS

Work Loc. No.	Schools/Centers	Current Principal(s)	Former Principal(s)
5601	Twin Lakes Elementary	Ms. Ivette Bernal-Pino	N/A = No Change of Principal Since Prior Audit.
5971	Nathan B. Young Elementary	Dr. Tonya S. Dillard	N/A = No Change of Principal Since Prior Audit.
0092	Norman S. Edelcup/Sunny Isles Beach K-8 Center	Dr. Adam L. Kosnitzky	N/A = No Change of Principal Since Prior Audit.
6051	Carol City Middle	Ms. Maria Medina	N/A = No Change of Principal Since Prior Audit.
6611	Country Club Middle	Ms. Cynthia M. Prado	N/A = No Change of Principal Since Prior Audit.
6231	Hialeah Middle	Mr. Nelson L. Gonzalez	N/A = No Change of Principal Since Prior Audit.
6241	Highland Oaks Middle	Ms. Cheryl L. Kushi	N/A = No Change of Principal Since Prior Audit.
6591	North Dade Middle	Ms. Kharim Armand	N/A = No Change of Principal Since Prior Audit.
7751	Barbara Goleman Senior	Mr. Joaquin P. Hernandez	N/A = No Change of Principal Since Prior Audit.

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## LIST OF SCHOOL PRINCIPALS

Work Loc. No.	Schools/Centers	Current Principal(s)	Former Principal(s)
7291	Jose Marti MAST 6-12 Academy	Mr. Jose Enriquez Jr.	N/A = No Change of Principal Since Prior Audit.
7048	Alonzo and Tracy Mourning Senior High Biscayne Bay Campus	Mr. Christopher J. Shinn	N/A = No Change of Principal Since Prior Audit.
7541	North Miami Beach Senior	Mr. Randy A. Milliken	N/A = No Change of Principal Since Prior Audit.
<u>Central Region Office Schools/Centers</u>			
0111	Maya Angelou Elementary	Ms. Adrena Y. Williams	N/A = No Change of Principal Since Prior Audit.
0201	Banyan Elementary	Ms. Cheri A. Davis	N/A = No Change of Principal Since Prior Audit.
0801	Citrus Grove Elementary	Ms. Sharon Johnson	N/A = No Change of Principal Since Prior Audit.
1081	Coral Terrace Elementary	Ms. Eva N. Ravelo	N/A = No Change of Principal Since Prior Audit.
1841	Flagami Elementary	Ms. Maria C. Mason	N/A = No Change of Principal Since Prior Audit.

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## LIST OF SCHOOL PRINCIPALS

Work Loc. No.	Schools/Centers	Current Principal(s)	Former Principal(s)
2501	Holmes Elementary	Dr. Yvonne D. Perry	N/A = No Change of Principal Since Prior Audit.
2661	Kensington Park Elementary	Ms. Susana Suarez	N/A = No Change of Principal Since Prior Audit.
2781	Kinloch Park Elementary	Ms. Kisa D. Humphrey	N/A = No Change of Principal Since Prior Audit.
2821	Lakeview Elementary	Ms. Sandra V. Banky	N/A = No Change of Principal Since Prior Audit.
3181	Melrose Elementary	Mr. Sergio A. Muñoz	N/A = No Change of Principal Since Prior Audit.
4721	Rockway Elementary	Ms. Denise Vigoa	N/A = No Change of Principal Since Prior Audit.
4921	Seminole Elementary	Ms. Mayra DeLeon	N/A = No Change of Principal Since Prior Audit.
5831	Henry S. West Laboratory School	Ms. Barbara R. Soto Pujadas	N/A = No Change of Principal Since Prior Audit.
5931	Phillis Wheatley Elementary	Ms. Cathy M. Williams	N/A = No Change of Principal Since Prior Audit.

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## LIST OF SCHOOL PRINCIPALS

Work Loc. No.	Schools/Centers	Current Principal(s)	Former Principal(s)
1601	Edison Park K-8 Center	Ms. Carla Patrick	N/A = No Change of Principal Since Prior Audit.
2041	Benjamin Franklin K-8 Center	Dr. Fabrice Laguerre	N/A = No Change of Principal Since Prior Audit.
3501	Morningside K-8 Academy	Ms. Jordana C. Schneider	N/A = No Change of Principal Since Prior Audit.
6011	Georgia Jones-Ayers Middle	Mr. Bernard O. Edwards	N/A = No Change of Principal Since Prior Audit.
6331	Kinloch Park Middle	Mr. Scott A. Weiner	N/A = No Change of Principal Since Prior Audit.
7081	Design and Architecture (DASH) Senior	Ms. Ana C. Alvarez-Armon	N/A = No Change of Principal Since Prior Audit.
7161	Maritime & Science Technology (MAST) Academy	Ms. Josephine Otero	N/A = No Change of Principal Since Prior Audit.
7301	Miami Edison Senior <sup>(a)</sup>	Mr. Leon P. Maycock	Ms. Trynegwa K. Diggs (Through July 2017; presently Administrative Director of Instructional Support at the Education Transformation Office).

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## LIST OF SCHOOL PRINCIPALS

Work Loc. No.	Schools/Centers	Current Principal(s)	Former Principal(s)
<u>South Region Office Schools/Centers</u>			
0261	Bel-Aire Elementary	Ms. Prudence M. Hill	N/A = No Change of Principal Since Prior Audit.
2541	Howard Drive Elementary	Ms. Deanna D. Dalby	N/A = No Change of Principal Since Prior Audit.
3111	Wesley Matthews Elementary <sup>(a)</sup>	Ms. Armandina Acosta-Leon	Ms. Deborah Darbonne (Through October 2017; presently Principal assigned to School Operations, Special Programs).
4581	Redland Elementary	Mr. Adrian Montes	N/A = No Change of Principal Since Prior Audit.
5791	West Homestead K-8 Center	Dr. Earl Burth	N/A = No Change of Principal Since Prior Audit.
6111	Cutler Bay Middle <sup>(a)</sup>	Mr. Ignacio Rodriguez	Mr. Paul A. Pfeiffer (Through June 2017; presently Senior Assistant Principal at Young Women's Preparatory Academy).
6781	Richmond Heights Middle	Ms. LaRhonda M. Donaldson	N/A = No Change of Principal Since Prior Audit.
7731	Miami Southridge Senior	Mr. Humberto J. Miret	N/A = No Change of Principal Since Prior Audit.

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## LIST OF SCHOOL PRINCIPALS

Work Loc. No.	Schools/Centers	Current Principal(s)	Former Principal(s)
7371	Robert Morgan Educational Center	Mr. Reginald J. Fox	N/A = No Change of Principal Since Prior Audit.
<u>Adult Education Center</u>			
7532	Miami Sunset Adult Education Center <sup>(a)</sup>	<div>Ms. Maria Miranda (Current)</div> <hr style="border-top: 1px dashed black;"/> <div>Mr. Rene Mantilla (Through October 2017; presently District Director of Career Education at the Office of Adult/Vocational &amp; Community Education).</div>	Mr. Julian Cazañas Jr. (Through September 2017; retired).

Note:

(a) Change of Principal at this school/center since prior audit (5 schools/centers).

## PROPERTY SCHEDULE

The results of the property inventories of the 55 schools/centers reported herein are as follows:

Work Location No.	Schools/Centers	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Unloc. Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
North Region Office Schools/Centers								
2081	Fulford Elementary	101	\$ 234,437	-	\$ -	\$ -	-	\$ -
2111	Hialeah Gardens Elementary	146	400,313	-	-	-	-	-
3701	Norland Elementary	294	513,095	-	-	-	-	-
3981	North Twin Lakes Elementary	125	303,475	-	-	-	-	-
4881	Scott Lake Elementary	167	314,584	-	-	-	-	-
5021	Ben Sheppard Elementary	205	469,397	-	-	-	-	-
5481	Treasure Island Elementary	137	278,182	-	-	-	-	-
5601	Twin Lakes Elementary	114	276,792	-	-	-	-	-
5971	Nathan B. Young Elementary	182	328,239	-	-	-	-	-
0092	Norman S. Edelcup/Sunny Isles Beach K-8 Center	178	350,357	-	-	-	-	-
2911	Linda Lentin K-8 Center	243	541,322	2	7,099	2,400	2	3,934



## PROPERTY SCHEDULE

Work Location No.	Schools/Centers	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Unloc. Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
3821	North County K-8 Center	73	161,658	-	-	-	-	-
6051	Carol City Middle	216	499,707	-	-	-	-	-
6611	Country Club Middle	381	774,485	-	-	-	-	-
6171	Henry H. Filer Middle	227	583,283	-	-	-	-	-
6231	Hialeah Middle	313	750,449	-	-	-	-	-
6241	Highland Oaks Middle	203	579,360	1	4,500	2,325	1	2,109
6591	North Dade Middle	221	759,702	-	-	-	-	-
7751	Barbara Goleman Senior	701	1,945,433	-	-	-	-	-
7291	Jose Marti MAST 6-12 Academy	357	938,089	-	-	-	-	-
7048	Alonzo and Tracy Mourning Senior High Biscayne Bay Campus	359	1,288,110	-	-	-	-	-
7541	North Miami Beach Senior	512	1,202,728	-	-	-	-	-
<u>Central Region Office Schools/Centers</u>								
0111	Maya Angelou Elementary	194	360,306	-	-	-	-	-
0201	Banyan Elementary	132	278,325	-	-	-	-	-

## PROPERTY SCHEDULE

Work Location No.	Schools/Centers	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Unloc. Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
0801	Citrus Grove Elementary	165	359,917	-	-	-	-	-
1081	Coral Terrace Elementary	138	264,580	1	1,038	-	-	-
1841	Flagami Elementary	101	246,220	-	-	-	-	-
2501	Holmes Elementary	129	355,802	-	-	-	-	-
2661	Kensington Park Elementary	205	578,545	-	-	-	-	-
2781	Kinloch Park Elementary	109	264,399	-	-	-	-	-
2821	Lakeview Elementary	139	308,937	-	-	-	-	-
3181	Melrose Elementary	129	302,298	-	-	-	-	-
4721	Rockway Elementary	94	218,909	-	-	-	-	-
4921	Seminole Elementary	124	259,876	-	-	-	-	-
5831	Henry S. West Laboratory School	113	209,598	-	-	-	-	-
5931	Phillis Wheatley Elementary	154	372,408	-	-	-	-	-
1601	Edison Park K-8 Center	112	287,371	-	-	-	-	-
2041	Benjamin Franklin K-8 Center	181	381,768	-	-	-	-	-

## PROPERTY SCHEDULE

Work Location No.	Schools/Centers	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Unloc. Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
3501	Morningside K-8 Academy	99	259,546	-	-	-	-	-
6011	Georgia Jones-Ayers Middle	241	696,252	-	-	-	-	-
6331	Kinloch Park Middle	243	591,953	-	-	-	-	-
7081	Design and Architecture (DASH) Senior	284	684,624	-	-	-	-	-
7161	Maritime & Science Technology (MAST) Academy	422	1,287,367	-	-	-	-	-
7301	Miami Edison Senior	721	1,643,942	-	-	-	-	-
<u>South Region Office Schools/Centers</u>								
0261	Bel-Aire Elementary	92	223,079	-	-	-	-	-
2541	Howard Drive Elementary	161	266,783	-	-	-	-	-
3111	Wesley Matthews Elementary	119	251,569	-	-	-	-	-
4581	Redland Elementary	119	284,674	-	-	-	-	-
5791	West Homestead K-8 Center	155	375,164	-	-	-	-	-
6111	Cutler Bay Middle	243	735,014	-	-	-	-	-
6781	Richmond Heights Middle	266	808,589	1	2,763	-	7	24,249

## PROPERTY SCHEDULE

Work Location No.	Schools/Centers	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Unloc. Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
7731	Miami Southridge Senior	523	1,357,726	-	-	-	-	-
7371	Robert Morgan Educational Center	619	1,732,861	-	-	-	-	-
<u>Adult Education Centers</u>								
7462	Miami Senior Adult Education Center	13	41,594	-	-	-	-	-
7532	Miami Sunset Adult Education Center	10	28,391	-	-	-	-	-
<b>TOTALS</b>		12,004	\$ 29,811,584	5	\$ 15,400	\$ 4,725	10	\$ 30,292

## PLANT SECURITY REPORT SCHEDULE

The following table is an analysis of Plant Security Reports. Those schools/centers reported herein that have not filed Plant Security Reports are excluded from this schedule:

Work Location No.	Schools/Centers	No. Of Plant Security Reports	Total Items	Total Amount At Cost	Categories		Total Depreciated Value
					Computers	Other <sup>(a)</sup>	
North Region Office School/Center							
3701	Norland Elementary	1	1	\$ 4,500	\$ -	\$ 4,500	\$ 2,363
Central Region Office Schools/Centers							
2041	Benjamin Franklin K-8 Center	1	20	22,147	22,147	-	-
7081	Design and Architecture (DASH) Senior	1	1	1,267	1,267	-	-
7161	Maritime & Science Technology (MAST) Academy	1	3	38,584	-	38,584	1,514
TOTAL		4	25	\$ 66,498	\$ 23,414	\$ 43,084	\$ 3,877

Note:

(a) "Other" consisted of radio equipment at Norland Elementary and maritime equipment at MAST academy.

## **FINDINGS AND RECOMMENDATIONS**

### **1. Unsatisfactory Controls Over The Bookkeeping Function Disclosed Discrepancies In The Year-End Bank Reconciliation, Deficit Balances, Non-Compliance With Disbursement Guidelines, And Other Discrepancies *Linda Lentin K-8 Center***

Our review of financial records corresponding to the 2015-2016 and 2016-2017 fiscal years disclosed a number of bookkeeping discrepancies and posting errors, some of which affected the year-end bank reconciliation; internal fund account deficits; and non-compliance with certain internal fund disbursement and documentation guidelines.

During our review, we noted that most discrepancies happened after the hiring of the current Treasurer in January 2017. Although this individual has worked for several years in the school system, this was the first time that she performed bookkeeping duties within the school setting. Consequently, we determined that the Treasurer's lack of bookkeeping experience played a key role and was a contributing factor to the findings herein. At the present time, the individual continues working at the school in the same capacity.

Details of our findings follow:

#### *Checking Account Balance Reconciliation Errors*

- 1.1. The June 2017 bank reconciliation disclosed several errors which had a material effect on the total reconciled cash reported at year-end closing. Consequently, this report required some corrections to reflect the position of cash accurately. The erroneous transactions reflected in the reconciliation as adjusting entries netted approximately \$5,800. During the audit, the 2016-2017 year-end checking account balance and financial statement were adjusted to accurately represent the school's overall financial activity.

One of these errors corresponded to a deposit of district funds intended for the Instructional Materials and Supplies (Fund 9) account<sup>3</sup> totaling approximately \$870 that was made via an electronic funds transfer in May 2017. This deposit

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<sup>3</sup> The Instructional Materials and Supplies Program/Function/Account (otherwise referred to the Fund 9 account) was established in the internal funds of the school to provide purchasing flexibility at the school site level. To obtain revenue for the Fund 9 account, schools are allowed to transfer specified amounts of their allocated tax dollar budget funds for materials and supplies purchases into an account within the internal funds of the school for the purpose of procuring materials and supplies expeditiously. This section establishes spending thresholds and provides a list of authorized expenditures as well as a list of expenditures not authorized to be charged to the account.

was recorded in the system on July 1<sup>st</sup>, after the closing of the year. Similarly, we noted errors regarding some of the outstanding checks detailed in the year-end reconciliation. Specifically, a check for \$920 was carried as outstanding, however, it had been endorsed and cleared by the bank in May 2017. In addition, the reconciliation listed four checks totaling approximately \$220, issued between October 2016 and June 2017, that were outstanding in excess of six months; however, the appropriate stale-dated procedures<sup>4</sup> were not executed on a timely basis. As of the audit visit, the checks have not been voided and written communication with the intended payees was not located in the files.

### *Deficit Account Balance*

Pursuant to requirements in Section III, Chapter 3 of the *Manual of Internal Fund Accounting*, schools must not end the fiscal year with a negative balance in any of the *Classes and Clubs* accounts.

- 1.2. Aside from the reconciliation issues and posting errors, the *Classes and Clubs-Yearbook* account closed the 2016-2017 fiscal year with a deficit balance of approximately \$800. This involved the sale of memory books and this deficit has not been addressed as of the audit visit. According to the activity sponsor, the revenues generated from the sale of memory books were not sufficient to cover the cost of producing the book. In addition, the memory book's financial activity was misposted to this account instead of the specific *Memory Book* account that is established within the internal funds of the school.

### *Discrepancies With Disbursement Guidelines*

According to Section II, Chapters 4 and 5 of the *Manual of Internal Fund Accounting*, disbursements must be documented with an original itemized vendor invoice, which must be signed by the individual receiving the goods/services to acknowledge the receipt of goods/services and to indicate that payment is in order. In addition, payments to vendors must be made within thirty (30) days of satisfactory receipt of goods/services, unless the school obtains written agreements with the vendors to delay payment.

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<sup>4</sup> Pursuant to Section II, Chapter 5 of the *Manual of Internal Fund Accounting*, for those checks that are outstanding for (3) months a *Notice of Unclaimed/Stale-dated Check(s)* (FM-5537) are prepared and sent. For which the payee has not responded, a second notice is sent to the payee the *Notice of Unclaimed/Stale-dated Check(s)* (FM-5537). For those checks that remain outstanding after six (6) months, void the original stale-dated check issued and transfer the respective amount via journal voucher (JV) transfer from the original function to the Trust Account – *Unclaimed Stale Dated Checks* (5004-0466).

- 1.3. Our review of a sample of 28 disbursements totaling approximately \$21,600 made during the 2016-2017 and the current fiscal year up to February 2018 disclosed 11 instances where invoices supporting the disbursements totaling approximately \$16,500 were not signed to acknowledge receipt of goods/services. In addition, in nine instances, invoices totaling approximately \$2,500 were not paid in a timely manner. Delays ranged from one to nine months.

Section III, Chapter 9 of the *Manual of Internal Fund Accounting* establishes the guidelines related to allowable expenditures to be charged to the Instructional Materials and Supplies (Fund 9) account. According to the guidelines, purchases related to electrical wiring, plumbing, decorative items, gift certificates, and incentives for staff are not allowed to be charged to this account. Nevertheless, our review of a sample of purchases disclosed the following:

- 1.4. During the 2016-2017 fiscal year, we identified Fund 9 expenditures totaling \$1,700 that were not allowed to be charged to this account. They consisted of small charges for the installation of telephone wiring within the school building, and the purchase of wall art, gift cards and shirts. The gift cards and shirts were apparently purchased to be distributed to students and teachers as incentives, and should have been charged to the *Educational Excellence School Advisory Council (EESAC)* Trust Program account within the internal funds of the school. According to the Treasurer, she was not aware that EESAC-related expenditures were accounted for in a separate account. Furthermore, the school could not provide the signed complimentary list of the recipients of these incentives to justify how they were distributed.

## RECOMMENDATIONS

- 1.1. **Given the discrepancies discovered during the audit, we recommend that the school administration request additional internal funds training for the Treasurer.**
- 1.2. **The school administration should review the monthly reconciliation with the bookkeeper to ensure understanding, and to ensure that pending adjustments are processed and cleared from the reconciliations in a timely manner.**
- 1.3. **Going forward, the current school administration should implement a periodic and effective system of review over the bookkeeping of the funds, the receipting, posting, and depositing of collections and the disbursement**



of the funds. This review should take place frequently (daily or weekly) to assist in the timely detection/prevention of accounting/posting errors and the monitoring of account balances. This review should take place at both the bookkeeping level and at the administrative level.

- 1.4. To prevent deficit balances in the individual accounts, the school administration should ensure that the account has sufficient funds before approving any expenditures and before signing any checks.
- 1.5. The school administration should monitor the Fund 9 account to ensure that funds are available before approving disbursements, and the account can be timely replenished (before the closing of the year).

**Person(s) Responsible:** Principal, Assistant Principal and Treasurer

**Management Response:**

The Principal met with the Assistant Principal and Treasurer to review the Manual of Internal Fund Accounting to ensure an understanding of guidelines and the responsibilities with reconciliations, receipting, posting, depositing and the disbursement of funds. Also, the Principal has scheduled at the end of the month, additional trainings for the Treasurer. The Principal will meet with the Treasurer at the completion of the trainings to further ensure an understanding of responsibilities.

The Principal sought assistance from the school's assigned Business Manager who provided additional assistance to administration and the Treasurer on the process of completing the monthly reconciliation. The Principal will meet with the Treasurer prior to the due date to ensure that adjustments are processed and reconciled in a timely manner.

Furthermore, the Principal will meet weekly with the Treasurer to strengthen the controls over the bookkeeping of funds, receipting, posting and depositing of collections and disbursement of funds. Any accounting/posting errors or balance discrepancies will be reported and corrected immediately.

The Principal instructed the Treasurer to report daily the amount of funds collected and the Principal and/or Assistant Principal will monitor the accounts weekly to ensure balances on the accounts reflect those collected. Prior to approving expenditures, all accounts, including the Fund 9 account, will be reconciled for sufficient funds availability.

The Principal met with the Treasurer to review the Manual of Internal Fund Accounting in regards to the process for replenishing the Fund 9 account and purchases permitted via the Fund 9 account. Also, the Principal will review the monthly reconciliation with the Treasurer to ensure that funds are available before approving disbursements and that the Treasurer completes replenishment of Fund 9 account each month.

**Person(s) Responsible:**

**North Region Office Administration**

**Management Response:**

The North Region Office Financial Human Capital Director and the Principal established a plan to implement and monitor to ensure controls over bookkeeping functions are strengthened and in compliance and follow all guidelines as outlined in the Manual of Internal Fund Accounting. Additionally, the Principal will thoroughly review with the Treasurer and Assistant Principal to ensure understanding of procedures and guidelines of reconciliations and disbursements.

The Principal was instructed to ensure the Treasurer attends additional internal funds trainings and to also ensure that regular meetings take place with the assigned Business Manager. The Principal was instructed to report any inconsistencies immediately so corrective action can be provided. The Principal was instructed to meet with the Treasurer immediately upon the completion of scheduled trainings to further ensure an understanding of responsibilities.

The Principal was instructed to hold weekly meetings with the Treasurer to review receipting, posting, and depositing of collections and to ensure that accounts have sufficient funds before approving expenditures and before signing checks.

The North Region Office Financial Human Capital Director established a mentor system and assigned a mentor for both the Principal and Treasurer to serve as immediate liaisons to answer questions or concerns regarding responsibilities and procedures.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

School Operations has reviewed the audit findings cited in the 2015-2016 and 2016-2017 fiscal year reports of Linda Lentin K8 Center; North County K8 Center and Henry H. Filer Middle School. In response to the reports, the following list outlines preventative actions taken by School Operations:

- Collaborative meetings have been conducted between School Operations, Financial Services and Human Capital. The purpose of these meetings was to review, discuss and identify strategies to implement a mentor and training support program for Treasurers.
- A purchasing directive was transmitted to all schools regarding disbursement controls that involved purchases made through Internal Funds, Procurement and the P-Card.
- A group for all Treasurers through Money DOES Matter Support Program @ School Operations has been created in Workplace to provide Money Smart Tips. This provides Treasurers with relevant practices and procedures to further support sound fiscal management at the school site.
- The Money DOES Matter Support Program has expanded required participants to include Treasurers of schools with audit findings.

## **2. Inadequate Recordkeeping, Documenting, And Reporting Of Payroll And Non-Compliance With Payroll Sign-In Procedures** ***Linda Lentin K-8 Center***

For the 2016-2017 fiscal year, we reviewed payroll records as a corollary to our review of payroll expenditures charged to the Title I Program. During our initial school site visit in September 2017, we observed instances where staff was not complying with payroll sign-in procedures and we extended our review to payrolls corresponding to the current fiscal year. Our review disclosed that the 2016-2017 payroll files were disorganized. In addition, our review of the current payrolls disclosed Daily Payroll Attendance Sheets and leave cards that were not properly completed.

At this school, the Principal supervises and approves the payroll. The school Treasurer is also the staff member who acts as the school's payroll clerk in charge of inputting, processing and filing the payroll. Details are as follow:

According to the *Payroll Processing Procedures Manual*, the *Daily Payroll Attendance Sheet* is a critical record in the overall documentation of the payroll process. Therefore, its accuracy and completeness are of paramount importance to school site administration that would customarily rely on this document to certify that the payroll information being reported is correct. The *Application For Short Term Leave* ("leave card") is used by full-time employees to document absences for scheduled work days. Full-time employees must complete and sign the leave cards. The cards must also be signed by the employee's supervisor.

Our review of two pay periods in effect during the months of August and September 2017, disclosed the following discrepancies:

- 2.1. A total of 20 employees did not indicate their presence on the *Daily Payroll Attendance Sheets* for one or more day(s) and were reported present on the Final Rosters; or were paid for hours that were not documented on the *Daily Payroll Attendance Sheets*. According to the school administration, all employees in question were present. This encompassed 43 days of daily attendance.
- 2.2. In seven instances, the leave card supporting leave taken by faculty/staff was not signed by the administrator/delegate and/or the employee. This represented a total of 12.5 days, which encompassed various types of leave.
- 2.3. Three part-time employees signed out ahead of their scheduled time one day each.
- 2.4. The Final Rosters corresponding to one of the pay periods reviewed were not signed by the payroll preparer.

In addition to the general sign-in procedures of staff, the procedures delineate the requirements for reporting and documenting the attendance of temporary instructors on the *Temporary Instructors Daily Payroll Attendance Sheet (Emergency and Paraprofessional Substitutes)* [FM-7090]. Temporary instructors are required to sign in/out on a daily basis; and the school must include as part of the documentation, the name of the absent employee and the account structure used to cover the temporary payroll's expenditures.

- 2.5. The *Temporary Instructors Daily Payroll Attendance Sheet* was not properly completed. In seven instances, the document was missing the name of the absent employee for which the substitute was hired, and was also omitting the accounting structure to be charged.

## RECOMMENDATIONS

- 2.1. The school administration should discuss the payroll procedures with faculty/staff and the payroll preparer to ensure an understanding of the payroll procedures for completing/signing/filing/retaining leave cards as part of the payroll records.
- 2.2. The school administration should direct the payroll preparer to file the records in an organized manner and collect all leave cards from staff for supporting and filing with the payroll records.
- 2.3. The school administration should direct the Treasurer to include all required information in the *Temporary Instructors Daily Payroll Attendance Sheet (Emergency and Paraprofessional Substitutes)*.
- 2.4. Periodically, the school administration should observe sign-in procedures to ensure they are being followed with fidelity.
- 2.5. The school administration should improve the review of the payroll prior to its approval to ensure that the rosters and leave cards are properly completed, the forms are signed and filed; and the payroll information reflected in the rosters accurately and fully support the payroll that is certified in the system. In addition, the school administration should ensure that the records are filed in proper order.

**Person(s) Responsible:**

**Principal, Assistant Principal,  
Payroll Clerk**

**Management Response:**

The Principal has met with the Assistant Principal and Payroll Clerk to review the Payroll Processing Procedures Manual and the procedures for the *Daily Payroll Attendance Sheet* to ensure understanding and responsibilities pertaining to adequate recordkeeping, documenting and reporting of payroll compliance and sign-in procedures.

The Principal, Assistant Principal and Payroll Clerk have met with faculty and staff to review procedures for signing in, and in addition the Principal met with the Payroll Clerk to ensure an understanding of payroll procedures for completing/signing/filing/retaining leave cards as part of the payroll process. The Principal instructed the Payroll Clerk to provide leave cards to teachers/staff immediately upon a return from absence.

The Principal instructed the Treasurer to include all required information in the *Temporary Instructors Daily Payroll Attendance Sheet* (Emergency and Paraprofessional Substitutes).

The Principal and Treasurer will review all prior records to ensure they are organized and moving forward will ensure that all leave cards have been signed by employees prior to signing and filing. A rotation to review the sign-in sheet was established for the Principal and Assistant Principal to monitor payroll sheets on a weekly basis.

Lastly, the Principal has instructed the Assistant Principal to review the payroll prior to its approval to ensure that the rosters and leave cards are properly completed, the forms are signed and filed and the payroll information reflected in the rosters accurately and fully supports the payroll that is certified in the system. Any discrepancies should be reported to the Principal immediately so corrective actions can take place.

**Person(s) Responsible:**

**North Region Office Administration**

**Management Response:**

The North Region Office Financial Human Capital Director and the Principal established a plan to strengthen the controls over recordkeeping/ documenting and receipting of payroll and payroll sign-in procedures to ensure payroll procedures are in compliance and follow all guidelines as outlined in the Payroll Processing Procedures Manual. Additionally, the Principal will thoroughly review the manual with the Payroll Clerk and Assistant Principal to ensure understanding of procedures and guidelines of processing payroll and leave card procedures.

The Principal was instructed to assign an Assistant Principal to assist in overseeing payroll sign in (Daily Payroll Attendance Sheet) and to report any discrepancies immediately to the Principal so corrective actions can take place.

Additionally, the Principal was instructed to assign an Assistant Principal to review the payroll prior to Principal review and approval to ensure that rosters and leave cards are properly completed and forms are signed and filed and the payroll information reflected on the rosters accurately and fully supports the payroll certified in the system.

The North Region Office Financial Human Capital Director established a mentor system and assigned a mentor for both the Principal and Treasurer to serve as immediate liaisons to answer questions or concerns regarding responsibilities and procedures.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 47 of this report and page 103 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Linda Lentin K-8 Center.

**3. Insufficient Oversight Over Internal Funds Resulted In Overspending, Bookkeeping Errors, And Non-Compliance With Receipt And Disbursement Guidelines**  
***North County K-8 Center***

This school had relatively limited financial activity during the 2015-2016 and 2016-2017 fiscal years. Total receipts amounted to approximately \$20,800 and \$29,400; while total disbursements amounted to approximately \$23,300 and \$29,800 for the respective years under audit. Nevertheless, our review of the financial records and bookkeeping practices for this two-year audit period disclosed that the oversight over the bookkeeping function and the controls over the spending of the internal funds was inadequate. There has been no change of Principal or Treasurer at this school since the prior audit.

Namely, we discovered many bookkeeping discrepancies and a pattern of overspending in certain accounts within the internal funds of the school. This led to certain individual account deficits, some of which were not corrected during the 2017-2018 fiscal year, as noted during our audit visit. We determined that the bookkeeping discrepancies were not intentional but due to account misclassifications, the incorrect selection of account structures when posting revenues and disbursements in the system, and delays in the posting of some of the transactions. We discussed the specific errors with staff and administration for their information, follow-up and corrective action going forward.

Aside from the errors, we noted instances of delays in the handling of collections as well as instances where the disbursement documentation related to vendor quotations was incomplete, not on file or disclosed discrepancies.

*The conditions noted herein, as stated with certain detail, invoke the need for dedicated school-site administrative oversight and additional training of staff in the area of internal funds:*

***Deficit Account Balances***

- 3.1. At year-end closing in June 30, 2017, the overall balance of the internal funds of the school was only \$9,000. This balance was made up of several individual program and account balances, some of which closed with deficits, a practice not allowed under internal fund guidelines. Specifically, while the Instructional Materials and Supplies, the Athletic, Trust and Community School Programs closed with an aggregate balance of approximately \$10,830 (of which \$10,000



solely corresponded to the Instructional Materials and Supplies account<sup>5</sup>), the General Program closed with a deficit of approximately \$1,830.

Similar conditions were noted in 2015-2016, during which time period we noticed that the internal funds of the school closed with a balance of approximately \$9,380. This total included the General Program, which carried a deficit of approximately \$1,900. In addition, the June 30, 2016 year-end closing bank reconciliation listed an adjustment of approximately \$4,000 from a duplicate posting of revenues that was not corrected in the system until after the closing of the fiscal year. The delay not only resulted in the overstatement of the year-end closing checking account balance, but in the year-end closing internal funds balance by said amount. During the audit, the 2015-2016 year-end checking account balance and financial statements for both fiscal years were adjusted to accurately represent the school's overall financial activity.

As of the time of our audit conducted in February 2018, the Trust-District Athletic account, the General Program and the Athletic Game Officials account continued to disclose deficit balances, which are carryovers from the two previous years' fiscal activity.

#### *Issues with Posting Delays and Non-Compliance With Specific Internal Fund Guidelines*

Regarding receipts and deposits, guidelines in Section II, Chapters 2 and 3 of the *Manual of Internal Fund Accounting* establish that sponsoring faculty/staff must remit monies for deposit to the Treasurer's Office in a timely manner, and the Treasurer must post and deposit such collections in a timely manner. In addition, a memorandum issued by the Office of the Controller via M-DCPS Weekly Briefing No. 5164 *Policies and Procedures on Safeguarding Funds at Schools*, delineates the current procedures for safeguarding schools' funds. These procedures require the implementation of the *Collection/Deposit Log* [FM-7249]. The Log serves as documentary evidence that the school administration a) is aware of collections pending deposit and left at the school overnight, b) has designated a secure place for temporary storage, and c) has safeguarded those funds until delivered to the bank.

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<sup>5</sup> The Instructional Materials and Supplies Program/Function/Account (otherwise referred to the Fund 9 account) was established in the internal funds of the school to provide purchasing flexibility at the school site level. To obtain revenue for the Fund 9 account, schools are allowed to transfer specified amounts of their allocated tax dollar budget funds for materials and supplies purchases into an account within the internal funds of the school for the purpose of procuring materials and supplies expeditiously. This K-8 Center has an allocated Fund 9 amount of \$10,000. These funds are expended throughout the year and replenished at year-end. Consequently, the overall internal funds balance of \$9,000 at June 30 *fell below the replenished amount* exclusively carried within the internal funds of the school by this Program/account.

- 3.2. Given our concerns regarding the account deficits previously identified, we performed an extensive review of the accounts' financial transactions and supporting documentation. From our review, we noted several instances during the audit period and the current year where collections, including cash and checks, stemming from the sale of school pictures, and from monies donated by faculty/staff and the school-allied organization for school-sponsored activities were not timely posted to the accounting system or not timely deposited. Delays ranged up to five days.
- 3.3. The use of the "Collections/Deposits Log" was not implemented to report/identify those instances when collections were left at the school overnight awaiting delivery to the bank the following business day.

Pursuant to School Board Policy 6610 *Internal Accounts*, purchases of \$1,000 or more but less than \$50,000, require that at least three (3) written vendor quotations be solicited. One of these quotations must be from a certified minority enterprise, according to School Board Policy 6320.02, *Minority/Women Business Enterprise Certification Procedures*. The quotations must be included as part of the documentation filed for disbursements to show compliance with vendor selection and lowest price selected.

- 3.4. Our review of a sample of disbursements disclosed several instances where individual purchases of \$1,000 or more were not documented with the required minimum of three (3) written vendor quotations, one of which must correspond to a certified minority enterprise. In two of these instances, two instead of three quotations were on file; however, the quotations were not comparable to each other and not what was purchased. Additionally, there was a minor deviation between the price quoted and what was charged without justification for the difference.

## RECOMMENDATIONS

- 3.1. **Given the many discrepancies discovered during the audit, we recommend that the school administration request additional internal funds training for the Treasurer.**
- 3.2. **Going forward, the current school administration should implement a periodic and effective system of review over the bookkeeping of the funds, the receipting, posting, and depositing of collections and the disbursement of the funds. This review should take place frequently (daily or weekly) to assist in the timely detection/prevention of accounting/posting errors and the monitoring of account balances. This review should take place at both the bookkeeping level and at the administrative level.**

- 3.3. To prevent deficit balances in the individual accounts, the school administration should ensure that the account has sufficient funds before approving any expenditures and before signing any checks.
- 3.4. The school administration should discuss with sponsoring faculty and staff the timelines for receipting and depositing collections for awareness and understanding, and for compliance with the guidelines.
- 3.5. The school administration should direct the Treasurer to observe posting and depositing timelines.
- 3.6. The school administration should direct the Treasurer to utilize the *Collection/Deposit Log* to account for any collections held overnight; and should designate staff to handle this matter along with the Treasurer.
- 3.7. Regarding the matter of the written vendor quotations, the school administration should direct staff to solicit quotations, including one from a certified minority as required by the guidelines; and should ensure that they properly support the items purchased.

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

**Management Response:**

The Principal has met with the Assistant Principal and the Treasurer to thoroughly review the *Manual of Internal Fund Accounting* and has instructed the Treasurer to register for internal funds/eSAS training to ensure understanding and responsibilities pertaining to bookkeeping functions, receipts and disbursements. The Principal will meet with the Treasurer at the completion of the trainings to further ensure an understanding of responsibilities. The Principal has also sought assistance from the school's assigned Business Manager to further provide support and ensure compliance.

The Principal will meet with the Treasurer on a weekly basis to further ensure compliance in the areas of bookkeeping, receipting, posting and depositing according to guidelines. In addition, the Treasurer will communicate on an as needed basis with the Principal regarding any bookkeeping questions or concerns so the Principal can secure immediate assistance.

Before approving expenditures and signing checks, the Principal has instructed the Treasurer to print out the current balance in the respective account to ascertain that funds are available to cover the expenditures. The account balance print-out will be stapled to the disbursement paperwork.

The Principal, Assistant Principal and Treasurer held a meeting with sponsoring faculty and staff to address timelines for receipting and depositing collections in order to ensure compliance with the guidelines.

The Principal instructed the Treasurer to record all monies collected in the Collections/Deposit Log daily. The log will be reviewed daily by the Principal to ensure that all monies are properly recorded/posted and deposited in a timely fashion in compliance with district guidelines.

Additionally, the Principal is strengthening oversight by ordering and installing a small safe and keeping the Collections/Deposit Log in her office (adjacent to the Treasurer's office) to ensure proper utilization and follow-through by the Treasurer.

Finally, before signing off on any disbursements of over a \$1000, the principal has instructed the Treasurer to produce the three comparable quotes (including one by a minority vendor) for goods/services. The three quotes will be stapled to the disbursement packet. In the event that there is no minority vendor available for the specific goods/services, the Purchasing directive issued by the Deputy of School Operations was shared with the Treasurer for compliance.

**Person(s) Responsible:**

**North Region Office Administration**

**Management Response:**

The North Region Office Financial Human Capital Director and the Principal established a plan for the Principal to implement and monitor with the Assistant Principal and Treasurer to ensure that bookkeeping, receipting and disbursement processes are followed accordingly. The Principal will thoroughly review the Manual of Internal Fund Accounting with the Assistant Principal and Treasurer to ensure understanding of procedures and guidelines.

The Principal was instructed to meet with the Treasurer immediately upon the completion of scheduled trainings to further ensure an understanding of responsibilities. Also, the Principal was instructed to meet with the Treasurer on a weekly basis to review bookkeeping functions, receipts and disbursements to ensure accuracy and to assist in the timely prevention of accounting/posting errors and to monitor account balances for sufficient funds.

The Principal was instructed to establish a plan with the Treasurer to ensure that accounts have sufficient funds before approving any expenditures and before signing any checks. Additionally, the Principal was instructed to have the Assistant Principal meet bi-weekly with the Treasurer to review all functions to further strengthen the check and balance system.

The Principal was instructed to conduct a meeting with the Treasurer and sponsoring faculty and staff to review and ensure understanding of procedures and timelines for receipting and depositing collections. Additionally, the Principal was instructed to establish a plan with the Treasurer to strengthen the collection system to include the proper utilization of the *Collections/Deposit Log* to account for any collections held overnight. Also, the Principal was instructed to purchase and identify a secure location for a small safe to further ensure security of collections.

Before signing off on any disbursements over \$1000.00, the Principal was instructed to review with the Treasurer the three written quotes including one from a minority vendor and ensure they properly support the items purchased.

The North Region Office Financial Human Capital Director has established a mentor system and assigned a mentor for the Treasurer to serve as an immediate liaison to answer questions or concerns regarding responsibilities and procedures.

Furthermore, the Principal has been instructed to attend the 2018-2019 School Operations' Money Does Matter Support Program sessions. Lastly, the North Region Office Financial Human Capital Director will ensure that the "In-House Review Teams" within each feeder pattern assist the school to provide additional support in this area.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 47 of this report and page 103 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of North County K-8 Center.

**4. Improper Oversight Over The Bookkeeping Function Resulted In Non-Compliance With Receipt And Disbursement Documentation, Bookkeeping Discrepancies And Posting Errors**  
***Henry H. Filer Middle School***

Our review of the financial records and bookkeeping practices for the 2015-2016 and 2016-2017 fiscal years disclosed that the oversight over the bookkeeping function was inadequate. A new Principal was assigned to this school effective July 2017 and two different Treasurers had been hired at this school since the 2014-2015 fiscal year audit. Most of the findings cited herein happened under the tenure of the former school administration.

Discrepancies included delays in the handling of collections and disbursement documentation related to vendor quotations that was incomplete. Regarding the monthly financial reports, we noted that several checks and account adjustments were being carried in the bank reconciliations for lengthy periods of time, as well as other bookkeeping posting errors. Details follow:

*Delays in the Remittance of Collections and Deposits*

Regarding receipts and deposits, guidelines in Section II, Chapters 2 and 3 of the *Manual of Internal Fund Accounting* establish that sponsoring faculty/staff must remit monies for deposit to the Treasurer's Office in a timely manner, and the Treasurer must post and deposit such collections in a timely manner. It also provides guidelines for the documentation supporting deposits, which includes copy of the Teacher's Official receipt book in those instances where official receipts are issued to document student collections. In addition, a memorandum issued by the Office of the Controller via M-DCPS Weekly Briefing No. 5164 *Policies and Procedures on Safeguarding Funds at Schools* delineates the current procedures for safeguarding schools' funds. These procedures require the implementation of the *Collection/Deposit Log* [FM-7249]. The Log serves as documentary evidence that the school administration a) is aware of collections pending deposit and left at the school overnight, b) has designated a secure place for temporary storage, and c) has safeguarded those funds until delivered to the bank.

- 4.1. From our review of receipts, we noted that student collections (mostly cash) were not timely remitted for deposit. Delays ranged up to five days. Most instances involved collections associated with field trips and student activities. In addition, our review of 2016-2017 deposit records disclosed instances where the yellow copy of the receipts from the Official Teacher Receipt Books were not attached to the deposit packages.

- 4.2. Upon our inquiry as to the process followed by the Treasurer for receipting collections from activity sponsors, we found that the Treasurer was not recording the transaction and not issuing the computer-generated receipt to the sponsor at the time when monies exchanged hands between them, *but after-the-fact. According to her, the receipt would be provided later in the day or the next morning.*
- 4.3. The use of the *Collection/Deposit Log* was not properly implemented to report/identify those instances when collections were left at the school awaiting delivery to the bank the following business day. Deposits were either not recorded on the form, or the form was not always signed by the Principal or designee when the deposit bag was stored in the safe location or removed from the safe location to deliver to the bank.

#### *Discrepancies With Disbursement Documentation*

Pursuant to School Board Policy 6610 *Internal Accounts*, for purchases of \$1,000 or more, but less than \$50,000, at least three (3) written vendor quotations must be solicited. One of these quotations must be from a certified minority enterprise, according to School Board Policy 6320.02 *Minority/Women Business Enterprise Certification Procedures*. The quotations must be included as part of the ancillary documentation filed for disbursements to show compliance with vendor selection and lowest price selected. In addition, Section II, Chapters 4 and 5 of *the Manual* are specific to the policies and procedures for documenting internal funds disbursements, which includes signing the invoice to acknowledge that the good or service was received and payment is in order.

- 4.4. We noted several instances during the 2015-2016 and the 2016-2017 fiscal years where individual purchases of \$1,000 or more were not documented with the minimum of three (3) written vendor quotations, one of which must correspond to a certified minority enterprise. Although in some of these instances, some quotations were included, the information was incomplete.

Given some of the discrepancies noted, we extended our review of disbursements to the current year. During the 2016-2017 fiscal year and the current 2017-2018 fiscal year, we noted instances where the invoice supporting the disbursement was not signed to acknowledge the receipt of goods.

### *Discrepancies In Monthly Reconciliations*

Section II, Chapter 5 of the *Manual of Internal Fund Accounting* delineates the guidelines for processing checks that remain outstanding in the bank reconciliation for three months. Pursuant to these guidelines, the school must contact the payees of school checks outstanding for three months or more. In those instances, where the payee does not respond and the check remains outstanding for six months, the school must void the check and transfer the amount to the Trust Fund-Unclaimed State Dated Checks account until such time a payment for stale-dated checks is submitted to the State of Florida.

At this school, the conversion from the legacy accounting system to the web-based accounting system took place at the beginning of February 2016. This system changeover required that we verify the reconciliations and the transfer of account balances from the legacy system to the new system to ensure they were done correctly. We also follow-up any pending transactions reflected in the reconciliations completed under the legacy system to ensure they are corrected in a timely manner under the new system.

- 4.5. The February 2017 bank reconciliation listed four checks totaling approximately \$340 that were outstanding since May and June 2016. The school had not cleared these checks until the Internal Funds Business Manager from the Office of the Controller contacted the school to clear them. However, there was no documentation on file at the school to show that the payees had been contacted to follow up on these outstanding checks. Similarly, the most recent bank reconciliation completed by the school at the time of our visit in 2017-2018 listed five checks and a transmittal of funds transaction totaling approximately \$400 listed as outstanding adjustments in the reconciliations as early as January 2017. The Treasurer had not performed any subsequent follow-up to attempt to clear these items from the reconciliation.
- 4.6. Other posting errors involved adjusting entries for interest earned and bank fees. We determined that the errors were as a result of the Treasurer selecting an incorrect account structure to post either revenue or disbursement transactions to the system. We discussed the specific instances with the current school administration for his information and follow-up going forward.



## RECOMMENDATIONS

- 4.1. Given the discrepancies discovered during the audit, we recommend that the current school administration request additional internal funds training for the Treasurer.
- 4.2. Going forward, the current school administration should implement a periodic and effective system of review over the bookkeeping of the funds, the receipting, posting, and depositing of collections and the disbursement of the funds. This review should take place frequently (daily or weekly) to assist in the timely detection/prevention of accounting/posting errors and the monitoring of account balances. This review should take place at both the bookkeeping level and at the administrative level.
- 4.3. The current school administration should discuss with sponsoring faculty and staff the timelines for receipting and depositing collections for awareness and understanding, and for compliance with the guidelines.
- 4.4. The practice of issuing receipts to sponsors after-the-fact should be prohibited and stopped. The current school administration should implement a schedule with the Treasurer and sponsors for turning in collections, processing them in the system and issuing a receipt from the system at the time that monies exchange hands.
- 4.5. The current school administration should direct the Treasurer to observe posting and depositing timelines and to clear outstanding checks and any pending adjustments in the reconciliations in a timely manner.
- 4.6. The current school administration should direct the Treasurer to utilize the *Collection/Deposit Log* to account for any collections held overnight; and should designate staff to handle this matter along with the Treasurer.
- 4.7. The current school administration should direct staff to solicit quotations, including one from a certified minority as required by the guidelines; and should ensure that they properly support the items purchased.
- 4.8. The current school administration should direct the Treasurer to sign invoices to denote acknowledgment of the receipt of goods/services.

**Person(s) Responsible:**

**Principal, Treasurer**

**Management Response:**

The new Principal has met with the Assistant Principal and the Treasurer to thoroughly review the Manual of Internal Fund Accounting and the Principal has instructed the Treasurer to register for additional internal funds training for the Treasurer to ensure understanding and responsibilities pertaining to bookkeeping functions, receipts and disbursements. The Principal will meet with the Treasurer at the completion of the trainings to further ensure an understanding of responsibilities. The Principal has also sought assistance from the school's assigned Business Manager to further provide support and ensure compliance.

The Principal will meet with the Treasurer on a weekly basis to review areas referenced in the audit recommendations and to assist in the timely detection/prevention of accounting/posting errors and the monitoring of account balances. Any discrepancies will be reported immediately to ensure corrective actions are in place.

The Principal, Assistant Principal and Treasurer have met with sponsoring faculty and staff to review the timelines for receipting and depositing collections and to ensure an awareness and understanding for compliance with the guidelines.

The Principal instructed the Treasurer to ensure the practice of issuing receipts to sponsors after the fact is ceased. The Principal has implemented a schedule with the Treasurer and sponsors for turning in collections, processing them in the system and issuing a receipt from the system at the time monies exchange hands.

The Principal has instructed the Treasurer to observe posting and depositing timelines and to clear outstanding checks and any pending adjustments in the reconciliation in a timely manner. Additionally, the Principal has instructed the Treasurer to utilize the *Collection/Deposit Log* to account for collections held overnight, and has designated the Assistant Principal to assist in overseeing this process.

The Principal reviewed the purchase order process with the Treasurer and established a plan to ensure procedures are followed regarding obtaining three bids, including one from a minority vendor and that the lowest bid is being accepted. Also, the Principal instructed the Treasurer to sign invoices to denote acknowledgement of the receipt of goods/services.

**Person(s) Responsible:**

**North Region Office Administration**

**Management Response:**

The North Region Office Financial Human Capital Director and the newly assigned Principal established a plan for the Principal to implement and monitor with the Assistant Principal and Treasurer to ensure that bookkeeping, receipting, posting and disbursement processes are followed accordingly. The Principal will thoroughly review the Manual of Internal Fund Accounting with the Assistant Principal and Treasurer to ensure understanding of procedures and guidelines.

The Principal was instructed to schedule additional internal funds trainings for the Treasurer and to also ensure regular meetings are scheduled with the assigned Business Manager. The Principal was instructed to meet with the Treasurer immediately upon the completion of scheduled trainings to further ensure an understanding of responsibilities. Furthermore, the Principal was instructed to meet weekly with the Treasurer and to ensure his Assistant Principal meets bi-weekly with the Treasurer to further strengthen the controls over the bookkeeping of the funds, the receipting, posting and depositing of collections and the disbursement of the funds.

The Principal was instructed to meet with sponsoring faculty and staff to review the timelines for receipting and depositing collections for awareness and understanding and to ensure compliance with the guidelines. Additionally, the Principal was instructed to devise an organized schedule with his Treasurer for sponsors to turn in collections, process them and issue a receipt from the system at the same time monies are exchanged.

The Principal was instructed to direct the Treasurer to follow all posting and depositing timelines and to clear any outstanding checks in a timely manner. Additionally, the Principal was instructed to direct the Treasurer to utilize the *Collection/Deposit Log* to account for any collections held overnight and ensure the Assistant Principal assists the Treasurer with this process.

Additionally, the Principal was instructed to direct the Treasurer to solicit three quotations for purchases over \$1000.00 including one from a certified minority and ensure they properly support the items purchased.

The North Region Office Financial Human Capital Director established a mentor system and assigned a mentor for the Treasurer to serve as an immediate liaison to answer questions or concerns regarding responsibilities and procedures.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 47 of this report and page 103 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Henry H. Filer Middle School.

## **5. Controls Over Student Activities Including The Yearbook Activity Need Improvement**

### ***Henry H. Filer Middle School***

During the 2015-2016 and 2016-2017 fiscal years, the school conducted several year-end activities for eighth-grade students. These activities included a dance, field trips, sale of T-Shirts and a breakfast. In addition, during the 2016-2017 fiscal year, the school decided to produce a yearbook for the school in general.

Our review of these activities disclosed a comingling of funds from various revenue sources in the eighth-grade related accounts as well as reports that were not prepared as required. Regarding the yearbook, we similarly found that the required reports were not prepared, and the school did not raise sufficient funds to cover all associated expenditures. We extended our review to the current year's yearbook activity, and some of these conditions were similarly noted.

A new Principal was assigned to this school effective July 2017 and two different Treasurers had been hired at this school since the 2014-2015 fiscal year audit. Most of the findings cited herein happened for the most part under the tenure of the former school administration. Although some of the conditions noted during the audit period were noted in the current year as well, they appear to be carryover results from the prior year. Details follow:

#### ***Student Activities***

According to guidelines in Section IV, Chapters 1 and 2 of *the Manual of Internal Fund Accounting*, field trip activities and fundraising events recorded in the internal funds of the school must be accounted for separately within internal funds accounts. Furthermore, in the case of student activities/fundraisers, a *Student Activity Operating Report* must be completed for the activity, listing revenues generated and expenditures incurred; and the report must be signed by sponsoring staff, the Treasurer, and the Principal/designee to indicate proper levels of review and approval.

A requirement for student activities where an admission fee is charged is the use of prenumbered admission tickets to control sales. Admission tickets printed by a vendor must be supported with an invoice listing the number of tickets and sequence, as well as ticket denomination. In the event that admission tickets are donated, the donor must provide a letter to the school indicating the number of tickets, including sequence and denomination.

- 5.1. During both fiscal years, collections and disbursements from several activities were commingled within the *Classes and Clubs Eighth-Grade* account.

Consequently, this commingling required a complete review of all the financial activity posted to the account. Although some of the activities did not raise sufficient revenues, all related expenditures were covered with account balances carried over from the prior year. As of June 30, 2017, the *Classes and Clubs Eighth-Grade* account balance was nearly zero. This account started the 2015-2016 fiscal year with a carryover balance of approximately \$3,000.

- 5.2. Our analysis of the 2015-2016 financial activity for the Gradventure field trip disclosed that the school should have raised \$20,625 based on student participation; however, we could only trace \$19,925 to account postings identified as revenues collected for this activity. This pointed to a revenue shortfall of \$700 that could not be explained by the school.
- 5.3. In the case of the end-of-the-year dance, for both fiscal years, admission tickets were not issued to control the sale of admissions. Instead, the school used Official Teacher's receipts, which although numbered, are not documented with a vendor's invoice. This condition precluded us from performing an analysis of these sales accurately.
- 5.4. The school did not complete a *Student Activity Operating Report* for any of the eighth-grade activities.

#### *Yearbook Activity*

According to Section IV, Chapter 6 of the *Manual of Internal Fund Accounting*, the yearbook activity should be self-sustaining and should raise sufficient revenues to cover all associated expenditures. In addition, according to the guidelines, monthly reports keeping track of sales and expenditures must be prepared, and a *Yearbook Distribution Report* detailing amounts sold and leftover in inventory must be maintained on file.

- 5.5. The yearbook was sold to students for \$25 each. The school ordered 175 books; however, only 117 were sold for a leftover inventory of 58 books. Revenues generated from the sales and ancillary activity amounted to \$3,600. However, this total was not sufficient to cover the yearbook invoice, which amounted to approximately \$4,000. The remaining balance, or approximately \$400 was paid with revenues from the *General Miscellaneous* account.
- 5.6. *Yearbook Monthly Operating Reports*, the *Yearbook Distribution Report*, and ancillary documentation for the 2016-2017 fiscal year was not on file.

We inquired as to whether the school was producing a yearbook in 2017-2018 and found that the school had already placed an order with the yearbook publisher for 135 books. We also found that, as of March 1, 2018, only 70 books

had been sold. We met with the yearbook sponsor, who stated that she had not received training regarding the yearbook activity, and she was not aware that monthly reports were required. Consequently, none had been prepared and filed for the current year. We discussed this matter with the current school administration for their information and follow-up.

## **RECOMMENDATIONS**

- 5.1. The current school administration should meet with sponsors and the Treasurer to discuss the guidelines for the accounting of student activities/fundraisers, ensuring understanding that the financial activity corresponding to the different fundraisers must be posted separately via use of sub-ledgers within the same account for clear accountability.**
- 5.2. The current school administration should discuss with sponsoring staff and the Treasurer that *Student Activity Operating Reports* must be prepared and must be filed with the internal funds records.**
- 5.3. The current school administration should discuss with sponsoring staff and the Treasurer the proper use of admission tickets to control revenues to events where an admission fee is charged.**
- 5.4. Given the noted decrease in the students' demand for yearbooks, the current school administration should reassess the feasibility of the yearbook activity for the coming year and administration should discuss the yearbook activity with the sponsor, strengthen the sales campaign; and discuss the documents required to complete and be filed with the school records.**
- 5.5. Going forward, the school administration should periodically meet with sponsors and the Treasurer to strengthen oversight over these activities.**

**Person(s) Responsible:**

**Principal, Assistant Principal,  
Club Sponsors, and Treasurer**

**Management Response:**

The Principal met with the Assistant Principal, Sponsors and Treasurer to review the Manual of Internal Fund Accounting to ensure that all guidelines are followed according to District Policy. To further ensure understanding that the financial activity corresponding to the different fundraisers are posted separately via use of sub-ledgers

within the same account for clear accountability, a guideline chart has been created by the school which is to be used by the sponsors as a quick reference guide.

The Principal has reviewed with the Assistant Principal, Sponsors and the Treasurer the procedures for *Student Activity Operating Reports* which must be prepared and filed with the internal funds records. Additionally, the Principal has reviewed with the Sponsors and the Treasurer the proper use of admission tickets to control revenues to events where an admission fee is charged.

The Principal has met with the Yearbook Sponsor to evaluate activity for the previous school year and the current school year. The Principal and Yearbook Sponsor established a plan to strengthen the oversight of the sales campaign to increase sales and reduce the number of unsold books in the 2017-2018 school year.

The Principal had instructed the Assistant Principal, prior to the beginning of this school year, 2017-2018, to meet with the club sponsors and reviewed Field Trip Manual form and Activities Procedures Manual. Also, a second meeting was recently held with the Principal, Assistant Principal, Club Sponsors, and Treasurer to further review the sponsor's guideline sheet and General Procedures Collection of Money section (Section II, Chapter 2- Collection of Money) from the Manual of Internal Fund Accounting.

Furthermore, the Principal has instructed the Assistant Principal to meet weekly with the Treasurer to strengthen oversight over these activities. Also, the Principal will meet bi-weekly with the Assistant Principal and Treasurer to review all activity and ensure compliance. Any discrepancies should be reported immediately so corrective actions can take place.

**Person(s) Responsible:**

**North Region Office Administration**

The North Region Office Financial Human Capital Director and the newly assigned Principal established a plan to implement and monitor with the Assistant Principal, Activity Sponsors, Yearbook Sponsor and Treasurer to ensure controls are strengthened over activities/fundraisers. Additionally, the Principal will thoroughly review the Manual of Internal Fund Accounting, with the Assistant Principal and Treasurer to ensure understanding of procedures and guidelines.

The Principal was instructed to meet with all sponsoring staff and the Treasurer to ensure *Student Activity Operating Reports* are prepared and filed with internal funds records. Additionally, the Principal was instructed to ensure sponsors utilized pre-numbered admission tickets to control the revenues to events where and admission fee is charged.



The Principal was instructed to *ensure Yearbook Monthly Operating Reports and Yearbook Distribution Reports* are in place and filed accordingly. Additionally, the Principal was instructed to discuss the yearbook activity with the sponsor in order to reduce the number of books ordered for the 2017-2018 school year and strengthen the sales campaign to ensure increased sales and reduce the number of unsold books.

The North Region Office Financial Human Capital Director has established a support team for school staff. In addition to the assigned Business Manager, a mentor has been assigned to work with the Treasurer and Yearbook Sponsor to serve as an immediate liaison to answer questions or concerns regarding student activities and yearbook activity responsibilities.

Furthermore, the Principal has been instructed to attend the 2018-2019 School Operations' Money Does Matter Support Program sessions. Lastly, the North Region Office Financial Human Capital Director will ensure that the "In-House Review Teams" within each feeder pattern assist the school to provide additional support in this area.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 47 of this report and page 103 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Henry H. Filer Middle School.

**6. Bookkeeping Errors Resulted In Third Party Agency Billings For Sales Receivable Transactions That Were Not Submitted For Payment And That The School May Be Unable To Recover. In Addition, Some Fee Transmittals Are Still Pending**  
***Miami Senior Adult Education Center***

At this school, as part of our audit procedures, we performed an analysis of the sales recorded in the Accounts Receivable ledger for the 2015-2016 and 2016-2017 fiscal years (otherwise referred to as sales receivables), with particular attention to the *Aged Receivables Report*<sup>6</sup> totals listed as outstanding and not cleared from the records for a period of 91 days or more.

Our review disclosed that sales receivables totaling approximately \$9,000, dating back to 2015-2016 and 2016-2017, remained outstanding in the report from two separate third-party entities; however, no current follow-up to recover these funds could be expressly located in the file until our inquiries. For one entity, it appears that this was mostly the result of a school-site bookkeeping error, where ultimately, school staff applied payments received from that entity to the incorrect sales receivable transaction; and this misalignment may have contributed to some of the receivables not submitted to the entity for payment. Regarding the other entity, according to the school administration, staff attempted to collect payment; however, the payment was never received, and it appears that only a portion may be reimbursable at this time. At the time of the completion of our audit, the school administration's attempt to recover the funds was a work in progress. Consequentially, there is the potential that a portion of these receivables may have to be written off as uncollectible if the reporting deadline is expired.

In addition, our review of the *Tuition Cash Transmittal Reports* during the 2015-2016 and 2016-2017 fiscal years disclosed that aggregate fees corresponding to both the 2015-2016 and 2016-2017 fiscal years totaling approximately \$6,300 were not transmitted to the district, possibly as a result of miscommunications between school and district staff.

These bookkeeping issues happened under the tenure of the former Treasurer, who is no longer employed with the district. A new Treasurer was hired during February 2017; and he has been diligently working with the district to clear these issues.

Details regarding the sales receivable transactions follow:

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<sup>6</sup> This is an accounting report created by the system which provides an aging of the sales receivable based on their age since recorded under the following categories: Current, 31-60 days, 61-90 days and 91 days and over. The report not only summarizes the data according to agency totals, but also provides detail according to individual sales record.

Sales receivables are generated from those students enrolled in programs offered at the adult education centers and technical colleges and whose tuition, block scheduling, books and supplies fees are subsidized in part or fully by the referring outside agencies<sup>7</sup>. These receivables are also generated by students who are eligible to participate in the *Miami-Dade County Public Schools' Skills for Academic, Vocational and English Studies* (SAVES<sup>8</sup>) educational program based on established criteria by the district. In both instances, the sales are recorded in the Accounts Receivable ledger, invoices are created and billed to the referring agency or to district SAVES as third-party billings; and later cleared when agency payments or payments from district SAVES are received via electronic funds transfers to the internal funds checking account.

According to Chapter 4 of *The Adult and Community Educational Procedures Handbook*, invoices for payment of agency-referred students should be processed in an expeditious manner. All tuition owed by an agency should be collected within six weeks (30 days) of student registration. At the discretion of the district, an agency may be granted forbearance and be allowed to remit payment on a modified schedule. *However, under no circumstances, except in those instances of district-approved forbearance, should a receivable balance exist for an agency 12 weeks (60 days) after student registration.*

- 6.1. We determined that \$7,920 in sales receivables (from tuition block fees of \$30 each) corresponding to district SAVES and \$1,079 corresponding to an outside agency (involving three sales transactions dated between January 2016 and May 2017) remained outstanding and not cleared from the ledger as of the completion of our audit.

Regarding SAVES, the *Invoice Billing for Reimbursement for the Term 2015-2* for \$6,840 was not on file, and there is no record that these were reported for reimbursement. When performing our review, we noted that the payment

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<sup>7</sup> Students who have been referred to the school by an agency for enrollment must provide an official voucher form from the referring agency stating the courses for which the student has been authorized for enrollment in adult education.

<sup>8</sup> The School Board of Miami-Dade County, Florida provides several types of financial assistance to eligible students enrolled in programs offered at adult education/technical colleges. The Miami-Dade County Public Schools' Skills for Academic, Vocational and English Studies (SAVES) is one of them. This is a financial-aid based free-of-charge educational program designed to meet the instructional and employment needs of eligible adult refugees/asylees from all over the world. Students are identified and interviewed using program-specific intake forms. Once legal eligibility requirements are identified for program participation, instructional needs and individual client vocational goals are established. English language instruction is emphasized. SAVES classes are offered through 15 adult and vocational education technical centers strategically located throughout Miami-Dade County. The financial aid offered to students, depending on the individual's eligibility levels, may subsidize class fees, block tuition fees, and books.

received for the 2015-1 Term<sup>9</sup> sales receivable was partly applied to the sales receivable recorded in the books for the 2015-1; while a portion of this payment was wrongly applied to the sales receivable corresponding to the 2015-2 Term. Subsequent payments received for 2015-3 Term and 2016-1 Term sales receivable disclosed some smaller discrepancies with the receivables, all of which added up to the total outstanding sales receivable amount.

Regarding the outside agency, according to the school administration, efforts to collect stalled when staff responsible for following up was not made aware that the agency had changed address. Ultimately, it appears that the school may be able to collect approximately \$400, which represents the two most current receivables, and the oldest transaction may require a write-off.

We also noted that another agency payment totaling approximately \$440 was posted to the incorrect third-party (agency) and it appeared as a credit in the *Aged Receivables Report*. This bookkeeping error was corrected during the audit at our request.

As of the completion of our audit in March 2018, the *Aged Receivables Report* listed a balance of approximately \$13,400, of which approximately \$4,400 are current and duly processed receivables, and the remainder corresponds to the amounts listed in our findings.

## **RECOMMENDATIONS**

- 6.1. The school administration should ensure that staff understands and is aware of the importance of timely billing the sales receivable to the appropriate agency.**
- 6.2. The school administration should ensure that the Treasurer and Registrar periodically communicate and reconcile the registration status of students, especially those who have been withdrawn from class, to ensure that the corresponding receivable transactions, if any, are followed-up accordingly.**
- 6.3. The school administration should ensure that staff applies payments to the correct students for the correct term as indicated in the third-party payment remittal supporting documents.**

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<sup>9</sup> The calendar for adult education is made up of three trimesters: Term 1 (Aug.-Dec.), Term 2 (Jan.-April) and Term 3 (Mid-April-Early August). For the audit period, trimesters were as follows: 2015-1, 2015-2, 2015-3 and 2016-1, 2016-2 and 2016-3.

- 6.4. The *Aged Receivables* Report should be reviewed periodically to maintain oversight over those receivables that are outstanding for 30 days or more and for which payment has not been received.**

**Person(s) Responsible:** Principal, Assistant Principal and Treasurer

**Management Response:**

The Principal met with the current Treasurer, Registrar and Assistant Principal to review the procedures and guidelines for: registering and withdrawing students; timeliness of agency billing; processing agency payments; and receivables reports. The Principal has assigned an Assistant Principal the task of monitoring reconciliations between the Treasurer and Registrar of receivables transactions for students actively enrolled at the school, as well as those students that have been dropped or withdrawn. There will also a review of billing documentation to ensure accuracy and timeliness when requesting payment from agencies and to ensure that payments received are fully processed in the finance systems. The Assistant Principal will meet with the Treasurer regularly to review outstanding receivables reports for agencies and students. If discrepancies are noted during the review, the Assistant Principal will discuss them with the Treasurer and Registrar immediately for a timely resolution.

The Principal, Assistant Principal, and Treasurer will contact the Supervisor-Vocational Fiscal Services in the Office of Adult, Alternative, Vocational and Community Education when assistance is needed.

- 6.5. The school administration should ensure that the transmittal of fees pending processing are transmitted to the district.**
- 6.6. Going forward, the school administration should direct staff to process fee transmittals according to timelines and should ensure that the transactions are duly processed in the system and transmitted to the district by the due date. Any discrepancies or delays with this process should be discussed with appropriate staff for corrective action and should be documented in the files.**

**Person(s) Responsible:** Principal and Treasurer

**Management Response:**

The Principal met with the current Treasurer to review the procedures and guidelines for processing monthly transmittals and the timeliness of transmittals. The Principal will monitor the monthly transmittal processes. The Principal will meet with the Treasurer regularly to ensure transactional posting is duly processed and in a timely manner. If

posting or processing delays are noted during the review, the Principal will discuss them with the Treasurer immediately for a timely resolution.

The Principal and Treasurer will contact the Supervisor-Vocational Fiscal Services in the Office of Adult, Alternative, Vocational and Community Education when assistance is needed.

**Person(s) Responsible:** **Adult/Vocational Education Office Administration**

**Management Response:**

The Administrative Director of Adult and Community Education and the Principal established a plan to implement that will strengthen the processes affected. The plan encompasses thoroughly reviewing the *Manual of Internal Fund Accounting*, the *Adult Education Handbook* and all ancillary documentation needed to ensure compliance with District policy.

The Administrative Director of Adult and Community Education instructed the Principal and Assistant Principal to meet regularly with the Treasurer and Registrar to ensure the proper registering and withdrawing of students; the timeliness of agency billing and payments; monitoring of receivables reports; and the timeliness of posting transmittals.

Furthermore, the Principal has been instructed to request assistance from the Vocational Fiscal Services Supervisor if additional training or assistance is needed in the affected areas.

Lastly, the Principal will register and participate in the district's Money DOES Matter Support Program for the 2018-2019 school year.

**Person(s) Responsible:** **School Operations Administration**

**Management Response:**

School Operations has reviewed the audit findings cited in the 2015-2016 and 2016-2017 fiscal year reports of Miami Senior Adult Education. The following preventive actions will be taken through School Operations:

- The District's School Operations Administrative Director has met with the Vocational Fiscal Services Supervisor to review, discuss and identify strategies to implement to ensure that adequate controls are in place as it relates to third party billings for sales receivable transaction.
- Vocational Fiscal Services Supervisor and District's School Operations Administrative Director will continue to coordinate colleague to colleague support

through Fiscal Review Team site visits to provide support in Fiscal and Organizational Management, as well as, monitoring that all pending and future fee transmittals are paid in a timely manner.

- Districts School Operations Administrative Director will continue to coordinate and provide information to school site administrators and staff on best business practices, including related financial areas of concern through the Money DOES Matter Support Program and during *Money Smarts* sessions during Scaled Leadership Principal's meetings.

## OBJECTIVES, SCOPE AND METHODOLOGY

The objectives of our audits were to:

- express an opinion on the internal fund financial statements of the schools/centers for the fiscal year(s) ended June 30, 2016 and/or June 30, 2017, depending on the school/center audited;
- evaluate compliance by the schools/centers with the policies and procedures prescribed in the *Manual of Internal Fund Accounting*;
- provide assurances regarding compliance with payroll procedures, as well as compliance with Purchasing Card Program procedures and with certain current information technology controls;
- verify compliance by the schools/centers 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;
- evaluate compliance with the policies and procedures set forth in the *Title I Administration Handbook*; and
- ascertain compliance with State law, State Board of Education Rules, School Board Policy, 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, 2015 through June 30, 2016 and/or July 1, 2016 through June 30, 2017 (depending on whether the audit scope was one or two-year audit at the individual school/center being audited), information technology controls included periods in 2017-2018 fiscal year. Also, *depending on the individual school audited*:

- the scope of the Payroll audit was the 2016-2017 and/or 2017-2018 fiscal year(s);
- the scope of the Purchasing Card Program audit was the 2017-2018 fiscal year;
- the scope of the Title I Program audit was the 2016-2017 fiscal year;
- the scope of the FTE audit was the 2017-2018 fiscal year, Survey Period 2 (October 2017); and
- the scope of the property audit was the 2017-2018 fiscal year.



Our procedures were as follows:

- reviewed written School Board policies and procedures;
- interviewed school staff and performed analytical analysis of account balances;
- examined, on a sample basis, transactions, processes, supporting documentation and records;
- performed current 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 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 its 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/centers 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, 2016 and June 30, 2017 was 0.64% and 1.175%, respectively.

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/centers' 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 its 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, 2016 and June 30, 2017, the MDCPS-Money Market Pool Fund's interest rate was 0.64% and 1.175%, respectively.

### *New Accounting Software To Account For The Internal Funds Of Schools/Centers*

In 2013, Miami-Dade County Public Schools needed to upgrade the centralized accounting system applicable for the bookkeeping of the internal funds of the schools and centers districtwide. According to Information Technology Services (ITS), the existing internal funds' centralized accounting system software platform was outdated and difficult to sustain going forward. In addition, the District aimed at an accounting solution that would be capable of accepting credit card payments as well as on-line payments at all schools to mirror current advances in marketing technology and reduce the volume of cash handled at the sites.

After complying with the district-mandated processes for seeking vendor proposals, selecting and engaging a vendor, testing the product, training staff and creating the support infrastructure, the solution was the implementation of Microsoft Dynamics GP, an accounting (ERP) software package, which the District deployed on a full-scale for the internal funds of all 21 adult and community education centers/technical colleges effective at the beginning of April 2015. The District named it the Electronic Student Accounting System (otherwise referred to as the eSAS system). Unlike the legacy bookkeeping software where the financial activity was reflected on the cash basis of accounting, this new system records the financial transactions under the full accrual basis of accounting.

Regarding K-12 schools/centers, the migration from the old to the new system happened in stages between September 2015 and early March 2016 due to the large number of schools/centers involved (335). As of early March 2016, the District had migrated the bookkeeping of the internal funds of all K-12 centers from the legacy system to the new eSAS accounting system. The deployment was accomplished by establishing a system whereby schools were segregated into four different groups (the first being the pilot group followed by three cohort groups). Each group migrated to the new bookkeeping system according to an agreed upon schedule between the district and the software vendor. The end-dates and start-dates of this exercise are noted in the following table:

Group Designation	MSAF (Legacy) System End Date	eSAS System Available For Conversion	No. Of Schools/Centers
Pilot	9/29/2015	10/1/2015	18
Cohort 1	11/24/2015	12/1/2015	60
Cohort 2	1/27/2016	2/1/2016	149
Cohort 3	2/24/2016	3/1/2016	108
Total Schools/Centers			335

Not all the K-12 centers within the same group migrated to the new system on the same date. Although the system was available on the dates noted above for each of the pilot group/cohort groups, schools/centers were directed not to input any information until they attended the “Go Live” meeting scheduled at ITS, where Treasurers were given guidance on how to migrate to the new system and initialize the financial information in the new system. “Go Live” meetings were scheduled following the day available for conversion and throughout the next few days to accommodate all the schools/centers within the group.

The conversion to the new automated system presented many challenges. These included familiarization with the bookkeeping of the funds on a web-based full-accrual system, sorting through discrepancies with the reports and understanding/resolving technical issues with the system in general. As a result, several reporting tasks and reconciliations associated with the bookkeeping of the internal funds were not always completed by the schools/centers in a timely manner. We took these matters into consideration when performing and reporting the results of our audits.

## **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.

At M-DCPS, the Systems Applications and Products in Data Processing (SAP) Time, Payroll and Benefits module replaced the mainframe Payroll Absence Reporting System previously used by the school system to process the payroll. The changeover to the SAP module became effective on October 28, 2011 and the first pay date under SAP Time, Payroll and Benefits was November 18, 2011. At present, although the ‘behind-the-scenes’ system processes are significantly different and updated, the payroll procedures for documenting employees’ time and attendance at the school sites have not changed when compared to the former system.

**Each school/center 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 checks advices at the sites changed in 2009 in an effort to eliminate paper checks and paper advices. Employees who received paper checks at the sites were requested to enroll in direct deposit for all payroll-related payments, and 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, sites are still required to maintain controls over the distribution of payroll checks for those employees who have not signed for direct deposit at this time.

## PROPERTY

At M-DCPS, the management of property items must comply with the guidelines established in the Manual of Property Control Procedures. According to Chapter 274.02 of the Florida Statutes, a complete physical inventory of all property shall be taken annually, be compared with the property record, and discrepancies must be identified and reconciled. Furthermore, the Florida Department of Financial Services, Rule Chapter 69I-73 establishes that “all property with a value or cost of \$1,000 or more and a projected useful life of one year or more shall be recorded in the local government’s financial system as property for inventory purposes”.

Our office conducts yearly inventories at each school/center of all property items with an original cost of \$1,000 or more. These inventories are customarily scheduled and performed at the sites after the first day of school and before the end of the school year. Consequently, the property inventories of schools/centers audited during the summer months of July and August are customarily conducted at a later date, unless staff is available at the sites and time permits. Inventories pending at year-end will be conducted and reported for the next fiscal year.

### 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 school sites to make small dollar purchases (less than \$3,000 per individual transaction) for materials and supplies. The program is currently managed by the Accounts Payable Department.

- *The P-Card Program enables school sites to make small purchases of less than \$3,000 per individual transaction for materials and supplies*
- *It expedites the procurement process at the school sites.*

## TITLE I PROGRAM

Schools/centers implementing Title I Programs are required to meet the requirements of the No Child Left Behind Act of 2001. Each year, an Economic Survey is conducted by the District to rank schools/centers from highest to lowest, based on the percentage of participating students from low income families, and to allocate Title I funds to those eligible schools/centers in rank order. The cut-off point for eligibility is based on the Title I allocation received from the State and other program components.



Schools/centers follow specific criteria for the use of Title I funds as delineated in the Title I Administration Handbook. Purchases of supplies and equipment are processed through regular district channels or via use of the P-Card Program, depending on the amount. Salary expenditures must comply with budgetary requirements and must be directly related to activities associated with the grant.

At the schools/centers, principals administer Title I programs with oversight from the Region Offices within School Operations, under the overall direction of the Department of Title I Administration.

To promote schoolwide compliance with Federal, State, and District regulations and guidelines, and ensure that appropriate evidence sources document compliance, the Office of Management and Compliance Audits incorporated the audit of this program into the school audits at selected schools/centers effective February 2007.

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

**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. Generally, these audits are conducted every two-three years; but could be scheduled sooner.

Schools/centers 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/centers to verify the data and make corrections as needed. Once this process is completed, the district transmits the information to the FDOE. During the 2016-2017 fiscal year, months selected by the FDOE for these surveys are as follows:

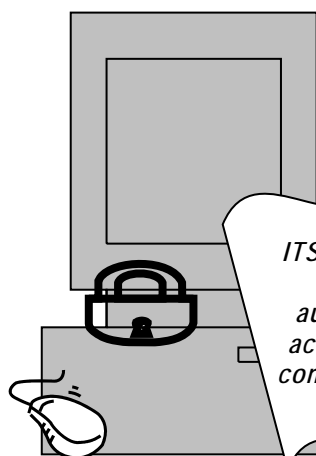
<b><i>Survey Period No.</i></b>	<b><i>Time Period of Survey</i></b>
<i>1</i>	<i>July (Summer School only)</i>
<i>2</i>	<i>October</i>
<i>3</i>	<i>February</i>
<i>4</i>	<i>June (Summer School only)</i>

Schools/centers are also responsible for maintaining an audit trail to ascertain compliance with State law, State Board of Education and School Board Policies 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 2007-2008 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/centers based on audit criteria developed by this office.

## DATA SECURITY MANAGEMENT REPORT

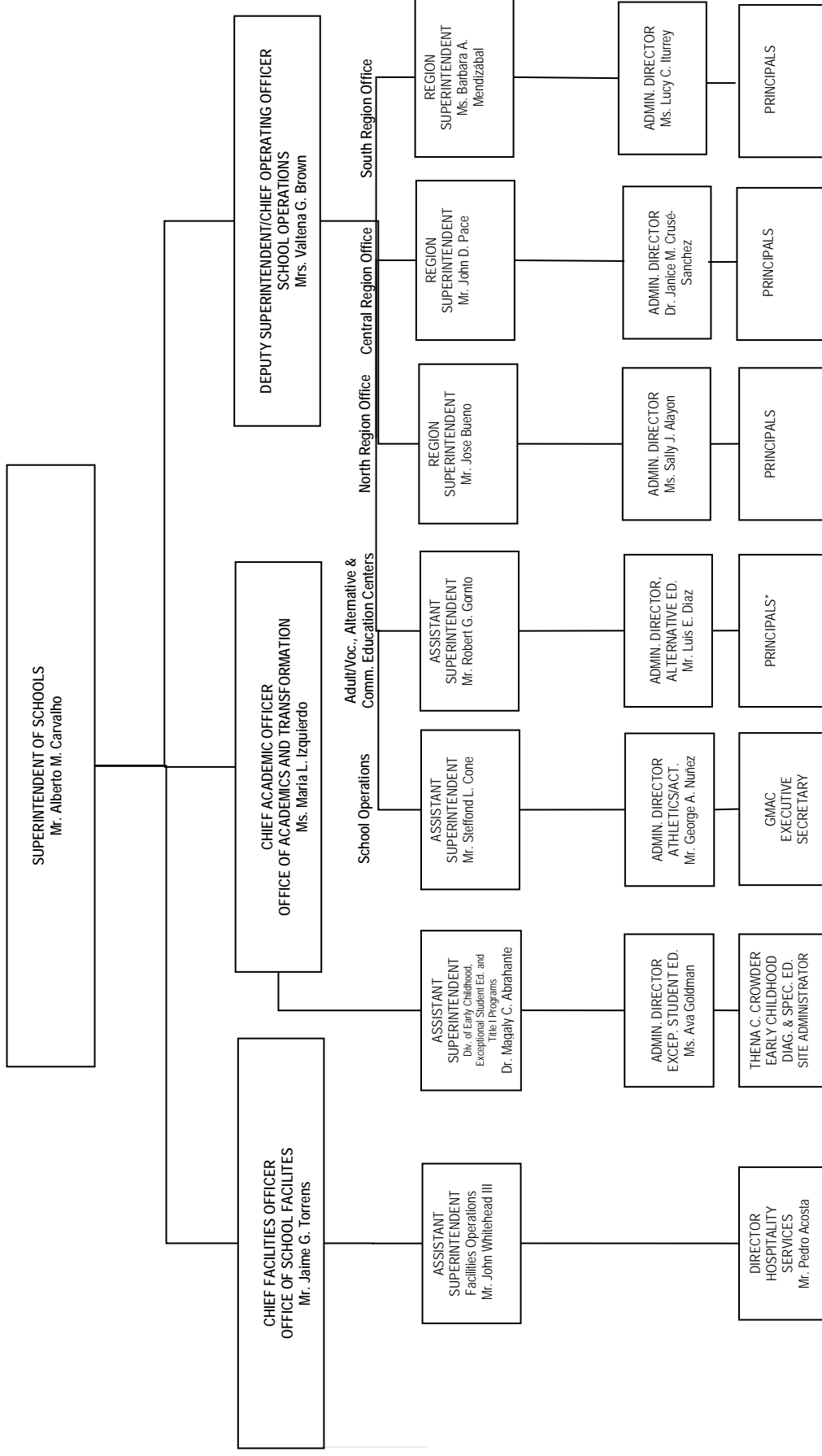


*ITS report reviewed to ensure that only authorized staff has access to designated computer applications.*

Principals are responsible for ensuring that network security standards and related security procedures are being observed at the school sites. Part of their responsibility includes ensuring that only authorized staff has access to designated applications. Information Technology Services (ITS) produces a monthly report for each location titled “*Authorized Applications for Employees by Locations Report*”. Principals are responsible for reviewing this report to determine the appropriateness of applications approved for each 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.



# ORGANIZATIONAL CHART



\*Includes Systemwide Business and Industry Services Center.




***APPENDIX***  
***MANAGEMENT'S RESPONSES***

MEMORANDUM

April 4, 2018

TO: Jose Bueno, Region Superintendent Region Office  
North Region Office

FROM: Monefe Young, Principal   
Linda Lentin K8 Center

SUBJECT: **ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT REPORT OF  
LINDA LENTIN K8 CENTER FOR JULY 1, 2015 THROUGH JUNE 30, 2017**

The following is a response to the findings of the Audit Report for Linda Lentin K8 Center for fiscal years July 1, 2015 – June 30, 2017.

The audit findings have been carefully reviewed by the Principal. As a result, the Principal has implemented the following corrective measures in order to prevent the recurrence of similar conditions and ensure strict compliance is maintained with Board policies and procedures.

**FINDING**

1. **Inadequate Controls Over The Bookkeeping Function Disclosed Discrepancies in the Year-End Bank Reconciliation, Deficit Balances, Non-Compliance With Disbursement Guidelines, And Other Discrepancies**

**RECOMMENDATIONS**

- 1.1. Given the discrepancies discovered during the audit, we recommend that the school administration request additional internal funds training for the Treasurer.
- 1.2. The school administration should review the monthly reconciliation with the bookkeeper to ensure understanding, and to ensure that pending adjustments are processed and cleared from the reconciliations in a timely manner.
- 1.3. Going forward, the current school administration should implement a periodic and effective system of review over the bookkeeping of the fund, the receipting, posting, and depositing of collections and disbursement of the funds. This review should take place frequently (daily or weekly) to assist in the timely detection/prevention of accounting/posting errors and the monitoring of account balances. This review should take place at both the bookkeeping (detail) level Treasurer and at administrative oversight level Principal/designee.
- 1.4. To prevent deficit balances in the individual accounts, the school administration should ensure that the account has sufficient funds before approving any expenditures and before signing any checks.

- 1.5. The school administration should monitor the Fund 9 account to ensure that funds are available before approving disbursements, and the account can be timely replenished before the closing of the year.**

**Responsible Person(s):** Principal, Assistant Principal and Treasurer

**Management Response:**

The Principal met with the Assistant Principal and Treasurer to review the Manual of Internal Fund Accounting to ensure an understanding of guidelines and the responsibilities with reconciliations, receipting, posting, depositing and the disbursement of funds. Also, the Principal has scheduled at the end of the month, additional trainings for the Treasurer. The Principal will meet with the Treasurer at the completion of the trainings to further ensure an understanding of responsibilities.

The Principal sought assistance from the school's assigned Business Manager who provided additional assistance to administration and the Treasurer on the process of completing the monthly reconciliation. The Principal will meet with the Treasurer prior to the due date to ensure that adjustments are processed and reconciled in a timely manner.

Furthermore, the Principal will meet weekly with the Treasurer to strengthen the controls over the bookkeeping of funds, receipting, posting and depositing of collections and disbursement of funds. Any accounting/posting errors or balance discrepancies will be reported and corrected immediately.

The Principal instructed the Treasurer to report daily the amount of funds collected and the Principal and/or Assistant Principal will monitor the accounts weekly to ensure balances on the accounts reflect those collected. Prior to approving expenditures, all accounts, including the Fund 9 account, will be reconciled for sufficient funds availability.

The Principal met with the Treasurer to review the Manual of Internal Fund Accounting in regards to the process for replenishing the Fund 9 account and purchases permitted via the Fund 9 account. Also, the Principal will review the monthly reconciliation with the Treasurer to ensure that funds are available before approving disbursements and that the Treasurer completes replenishment of Fund 9 account each month.

**FINDING**

- 2. Inadequate Recordkeeping, Documenting, and Reporting of Payroll and Non-Compliance With Payroll Sign-In Procedures**

**RECOMMENDATIONS**

- 2.1. The school administration should discuss the payroll procedures with faculty/staff and the payroll preparer to ensure an understanding of the payroll procedures for completing/signing/filing/retaining leave cards as part of the payroll records.**
- 2.2. The school administration should direct the payroll preparer to file the records in an organized manner and collect all leave cards from staff for supporting and filing with the payroll records.**

- 2.3. The school administration should direct Treasurer to include all required information in the Temporary Instructors Daily Payroll Attendance Sheet (Emergency and Paraprofessional Substitutes).
- 2.4. Periodically, the school administration should observe sign-in procedures to ensure they are being followed with fidelity.
- 2.5. The school administration should improve the review of the payroll prior to its approval to ensure that the rosters and leave cards are properly completed, the forms are signed and filed; and the payroll information reflected in the rosters accurately and fully support the payroll that is certified in the system. In addition, the school administration should ensure that the records are filed in proper order.

**Responsible Person(s):** Principal, Assistant Principal, Payroll Clerk

**Management Response:**

The Principal has met with the Assistant Principal and Payroll Clerk to review the Payroll Processing Procedures Manual and the procedures for the *Daily Payroll Attendance Sheet* to ensure understanding and responsibilities pertaining to adequate recordkeeping, documenting and reporting of payroll compliance and sign-in procedures.

The Principal, Assistant Principal and Payroll Clerk have met with faculty and staff to review procedures for signing in and in addition the Principal met with the Payroll Clerk to ensure an understanding of payroll procedures for completing/signing/filing/retaining leave cards as part of the payroll process. The Principal instructed the Payroll Clerk to provide leave cards to teachers/staff immediately upon a return from absence.

The Principal instructed the Treasurer to include all required information in the *Temporary Instructors Daily Payroll Attendance Sheet* (Emergency and Paraprofessional Substitutes).

The Principal and Treasurer will review all prior records to ensure they are organized and moving forward will ensure that all leave cards have been signed by employees prior to signing and filing. A rotation to review the sign-in sheet was established for the Principal and Assistant Principal to monitor payroll sheets on a weekly basis.


Lastly, the Principal has instructed the Assistant Principal to review the payroll prior to its approval to ensure that the rosters and leave cards are properly completed, the forms are signed and filed and the payroll information reflected in the rosters accurately and fully supports the payroll that is certified in the system. Any discrepancies should be reported to the Principal immediately so corrective actions can take place.

cc: Sally J. Alayon  
Cynthia Gracia

**MEMORANDUM**

April 10, 2018

**TO:** Mr. Jose Bueno, Region Superintendent  
North Region Office

**FROM:** Melissa M. Mesa, Principal   
North County K-8 Center

**SUBJECT:** **ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT REPORT OF  
NORTH COUNTY K-8 CENTER FOR 2015-2016 AND 2016-2017  
FISCAL YEARS**

The following is a response to the findings of the Audit Report for North County K8 Center for fiscal years July 1, 2015 – June 30, 2017.

The audit findings have been carefully reviewed by the Principal. As a result, the Principal has implemented the following corrective measures in order to prevent the recurrence of similar conditions and ensure strict compliance is maintained with Board policies and procedures.

**FINDING:**

1. **Inadequate Oversight Over Internal Funds Resulted in Overspending, Bookkeeping Errors and Non-compliance with Receipt and Disbursement Guidelines.**

**RECOMMENDATIONS:**

- 1.1 **Given the many discrepancies discovered during the audit, we recommend that the school administration request additional Internal Funds Training for the Treasurer.**
- 1.2 **Going forward, the current school administration should implement a periodic and effective system of review over the bookkeeping of the funds, the receipting, posting, and depositing of collections and the disbursement of funds. This review should take place frequently (daily for weekly) to assist in the timely detection/prevention of accounting/posting errors and the monitoring of account balances. This review should take place at both the bookkeeping (detail) level (Treasurer) and at administrative (oversight) level (Principal/Designee).**
- 1.3 **To prevent deficit balances in the individual accounts, the school administration should ensure that the account has sufficient funds before approving any expenditures and before signing any checks.**
- 1.4 **The school administration should discuss with sponsoring faculty and staff the timelines for receipting and depositing collections for awareness and understanding, and for compliances with the guidelines.**

- 1.5 The school administration should direct the Treasurer to observe posting and depositing timelines.
- 1.6 The school administration should direct the Treasurer to utilize the Collection/Deposit Log to account for any collections held overnight; and should designate staff to handle this matter along with the Treasurer.
- 1.7 Regarding the matter of written vendor quotations, the school administration should direct staff to solicit quotations, including one from a certified minority as required by the guidelines; and should ensure that they properly support the items purchased.

**RESPONSIBLE PERSON(S):** Principal, Assistant Principal, Treasurer

**MANAGEMENT RESPONSE:**

The Principal has met with the Assistant Principal and the Treasurer to thoroughly review the Manual of Internal Fund Accounting and has instructed the Treasurer to register for internal funds/eSAS training to ensure understanding and responsibilities pertaining to bookkeeping functions, receipts and disbursements. The Principal will meet with the Treasurer at the completion of the trainings to further ensure an understanding of responsibilities. The Principal has also sought assistance from the school's assigned Business Manager to further provide support and ensure compliance.

The Principal will meet with the Treasurer on a weekly basis to further ensure compliance in the areas of bookkeeping, receipting, posting and depositing according to guidelines. In addition, the Treasurer will communicate on an as needed basis with the Principal regarding any bookkeeping questions or concerns so the Principal can secure immediate assistance.

Before approving expenditures and signing checks, the Principal has instructed the Treasurer to print out the current balance in the respective account to ascertain that funds are available to cover the expenditures. The account balance print-out will be stapled to the disbursement paperwork.

The Principal, Assistant Principal and Treasurer held a meeting with sponsoring faculty and staff to address timelines for receipting and depositing collections in order to ensure compliance with the guidelines.

The Principal instructed the Treasurer to record all monies collected in the Collections/Deposit Log daily. The log will be reviewed daily by the Principal to ensure that all monies are properly recorded/posted and deposited in a timely fashion in compliance with district guidelines.

Additionally, the Principal is strengthening oversight by ordering and installing a small safe and keeping the Collections/Deposit Log in her office (adjacent to the Treasurer's office) to ensure proper utilization and follow-through by the Treasurer.

Finally, before signing off on any disbursements of over a \$1000, the principal has instructed the Treasurer to produce the three comparable quotes (including one by a



minority vendor) for goods/services. The three quotes will be stapled to the disbursement packet. In the event that there is no minority vendor available for the specific goods/services, the Purchasing directive issued by the Deputy of School Operations was shared with the Treasurer for compliance.

cc: Sally J. Alayon  
Cynthia Gracia

## MEMORANDUM

April 5, 2018

**TO:** Mr. Jose Bueno, Region Superintendent  
North Region Office

**FROM:** John Donohue, Principal  
Henry H. Filer Middle School

**SUBJECT:** ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT REPORT OF HENRY H. FILER MIDDLE SCHOOL FOR 2015-2016 AND 2016-2017 FISCAL YEARS

The following is a response to the findings of the Audit Report for Henry H. Filer Middle School for fiscal years July 1, 2015 – June 30, 2017.

The audit findings have been carefully reviewed by the new Principal. As a result, the Principal has implemented the following corrective measures in order to prevent the recurrence of similar conditions and ensure strict compliance is maintained with Board policies and procedures.

### FINDING

1. **Improper Oversight of the Bookkeeping Function Resulted in Non-Compliance with Receipt and Disbursement Documentation, Bookkeeping Discrepancies and Posting Errors**

### RECOMMENDATIONS:

- 1.1. Given the discrepancies discovered during the audit, we recommend that the current school administration request additional internal funds training for the Treasurer.
- 1.2. Going forward, the current school administration should implement a periodic and effective system of review over the bookkeeping of the funds, the receipting, posting, and depositing of collections and the disbursement of the funds. This review should take place frequently (daily or weekly) to assist in the timely detection/prevention of accounting/posting errors and the monitoring of account balances. This review should take place at both the bookkeeping (detail) level (Treasurer) and at administrative (oversight) level (Principal/designee).
- 1.3. The current school administration should discuss with sponsoring faculty and staff the timelines for receipting and depositing collections for awareness and understanding, and for compliance with the guidelines.
- 1.4. The practice of issuing receipts to sponsors after-the-fact should be prohibited and stopped. The current school administration should implement a schedule with the Treasurer and sponsors for turning in collections, processing them in the system and issuing a receipt from the system at the time that monies exchange hands.

- 1.5. The current school administration should direct the Treasurer to observe posting and depositing timelines and to clear outstanding checks and any pending adjustments in the reconciliations in a timely manner.**
- 1.6. The current school administration should direct the Treasurer to utilize the Collection/Deposit Log to account for any collections held overnight; and should designate staff to handle this matter along with the Treasurer.**
- 1.7. The current school administration should direct staff to solicit quotations, including one from a certified minority as required by the guidelines; and should ensure that they properly support the items purchased.**
- 1.8. The current school administration should direct the Treasurer to sign invoices to denote acknowledgment of the receipt of goods/services.**

**RESPONSIBLE PERSON(S):** Principal, Treasurer

**MANAGEMENT RESPONSE:**

The new Principal has met with the Assistant Principal and the Treasurer to thoroughly review the Manual of Internal Fund Accounting and the Principal has instructed the Treasurer to register for additional internal funds training for the Treasurer to ensure understanding and responsibilities pertaining to bookkeeping functions, receipts and disbursements. The Principal will meet with the Treasurer at the completion of the trainings to further ensure an understanding of responsibilities. The Principal has also sought assistance from the school's assigned Business Manager to further provide support and ensure compliance.

The Principal will meet with the Treasurer on a weekly basis to review areas referenced in the audit recommendations and to assist in the timely detection/prevention of accounting/posting errors and the monitoring of account balances. Any discrepancies will be reported immediately to ensure corrective actions are in place.

The Principal, Assistant Principal and Treasurer have met with sponsoring faculty and staff to review the timelines for receipting and depositing collections and to ensure an awareness and understanding for compliance with the guidelines.

The Principal instructed the Treasurer to ensure the practice of issuing receipts to sponsors after the fact is ceased. The Principal has implemented a schedule with the Treasurer and sponsors for turning in collections, processing them in the system and issuing a receipt from the system at the time monies exchange hands.

The Principal has instructed the Treasurer to observe posting and depositing timelines and to clear outstanding checks and any pending adjustments in the reconciliation in a timely manner. Additionally, the Principal has instructed the Treasurer to utilize the Collection/Deposit Log to account for collections held overnight, and has designated the Assistant Principal to assist in overseeing this process.

The Principal reviewed the purchase order process with the Treasurer and established a plan to ensure procedures are followed regarding obtaining three bids, including one from a minority vendor and that the lowest bid is being accepted. Also, the Principal instructed the Treasurer to sign invoices to denote acknowledgment of the receipt of goods/services.

## FINDING

### 2. Controls Over Student Activities Including Yearbook Activity Need Improvement

#### RECOMMENDATIONS:

- 2.1. The current school administration should meet with sponsors and the Treasurer to discuss the guidelines for the accounting of student activities/fundraisers, ensuring understanding that the financial activity corresponding to the different fundraisers must be posted separately via use of sub-ledgers within the same account for clear accountability.
- 2.2. The current school administration should discuss with sponsoring staff and the Treasurer that Student Activity Operating Reports must be prepared and must be filed with the internal funds records.
- 2.3. The current school administration should discuss with sponsoring staff and the Treasurer the proper use of admission tickets to control revenues to events where an admission fee is charged.
- 2.4. Given the noted decrease in the students' demand for yearbooks, the current school administration should reassess the feasibility of the yearbook activity for the coming year and administration should discuss the yearbook activity with the sponsor, strengthen the sales campaign; and discuss the documents required to complete and be filed with the school records.
- 2.5. Going forward, the school administration should periodically meet with sponsors and the Treasurer to strengthen oversight over these activities.

#### RESPONSIBLE PERSON(S): Principal, Assistant Principal, Club Sponsors, and Treasurer

The Principal met with the Assistant Principal, Sponsors and Treasurer to review the Manual of Internal Fund Accounting to ensure that all guidelines are followed according to District Policy. To further ensure understanding that the financial activity corresponding to the different fundraisers are posted separately via use of sub-ledgers within the same account for clear accountability, a guideline chart has been created by the school which is to be used by the sponsors as a quick reference guide.

The Principal has reviewed with the Assistant Principal, Sponsors and the Treasurer the procedures for *Student Activity Operating Reports* which must be prepared and filed with the internal funds records. Additionally, the Principal has reviewed with the Sponsors and the Treasurer the proper use of admission tickets to control revenues to events where an admission fee is charged.

The Principal has met with the Yearbook Sponsor to evaluate activity for the previous school year and the current school year. The Principal and Yearbook Sponsor established a plan to strengthen the oversight of the sales campaign to increase sales and reduce the number of unsold books in the 2017-2018 school year.

The Principal had instructed the Assistant Principal, prior to the beginning of this school year, 2017-2018, to meet with the club sponsors and reviewed Field Trip Manual form and Activities Procedures Manual. Also, a second meeting was recently held with the Principal, Assistant

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Principal, Club Sponsors, and Treasurer to further review the sponsor's guideline sheet and General Procedures Collection of Money section (Section II, Chapter 2- Collection of Money) from the Manual for Internal Fund Accounting.

Furthermore, the Principal has instructed the Assistant Principal to meet weekly with the Treasurer to strengthen oversight over these activities. Also, the Principal will meet bi-weekly with the Assistant Principal and Treasurer to review all activity and ensure compliance. Any discrepancies should be reported immediately so corrective actions can take place.

cc: Sally J. Alayon  
Cynthia Gracia

## MEMORANDUM

April 10, 2018

TO: Mr. Robert G. Gornito, Assistant Superintendent  
School Operations

FROM: Mr. Alan J. Bashaw, Principal *A. Bashaw*  
Miami Senior Adult Education Center

SUBJECT: **ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF MIAMI  
SENIOR ADULT EDUCATION CENTER**

The following is submitted in response to the Audit Report of Miami Senior Adult Education Center for the 2015-2016 and 2016-2017 fiscal years.

The audit findings have been carefully reviewed by the Principal. As a result, the Principal has implemented the following corrective measures in order to prevent the recurrence of similar conditions and ensure strict compliance is maintained with Board policies and procedures.

### FINIDINGS

1. **Bookkeeper Errors Resulted In Third Party Agency Billings For Sales Receivable Transactions That Were Not Submitted For Payment And That The School May Be Unable To Recover. In Addition, Some Fee Transmittals Are Still Pending**

### RECOMMENDATIONS

- 1.1. The school administration should ensure that's staff understands and is aware of the importance of timely billing of sales receivables to the appropriate agency.
- 1.2. The school administration should ensure that the Treasurer and Registrar periodically communicate and reconcile the registration status of students, especially those who have been withdrawn from class, to ensure that the corresponding receivable transactions, if any, are followed-up accordingly.
- 1.3. The school administration should ensure that staff applies payments to the correct students for the correct term as indicated in the third-party remittal supporting documents.
- 1.4. The Aged Receivables Report should be reviewed periodically to maintain oversight over those receivables that are outstanding for 30 days of more and for which payment has not been received.



**Person(s) Responsible:**

**Principal, Assistant Principal and Treasurer**

**Management Response:**

The Principal met with the current Treasurer, Registrar and Assistant Principal to review the procedures and guidelines for: registering and withdrawing students; timeliness of agency billing; processing agency payments; and receivables reports. The Principal has assigned an Assistant Principal the task of monitoring reconciliations between the Treasurer and Registrar of receivables transactions for students actively enrolled at the school, as well as those students that have been dropped or withdrawn. There will also a review of billing documentation to ensure accuracy and timeliness when requesting payment from agencies and to ensure that payments received are fully processed in the finance systems. The Assistant Principal will meet with the Treasurer regularly to review outstanding receivables reports for agencies and students. If discrepancies are noted during the review, the Assistant Principal will discuss them with the Treasurer and Registrar immediately for a timely resolution.

The Principal, Assistant Principal, and Treasurer will contact the Supervisor-Vocational Fiscal Services in the Office of Adult, Alternative, Vocational and Community Education when assistance is needed.

- 1.5. **The school administration should ensure that the transmittal of fees pending processing are transmitted to the district.**
- 1.6. **Going forward, the school administration should direct staff to process fee transmittals according to timelines and should ensure that the transactions are duly processed in the system and transmitted to the district by the due date. Any discrepancies or delays with this process should be discussed with appropriate staff for corrective action and should be documented in the files.**

**Person(s) Responsible:**

**Principal and Treasurer**

**Management Response:**


The Principal met with the current Treasurer to review the procedures and guidelines for processing monthly transmittals and the timeliness of transmittals. The Principal will monitor the monthly transmittal processes. The Principal will meet with the Treasurer regularly to ensure transactional posting is duly processed and in a timely manner. If posting or processing delays are noted during the review, the Principal will discuss them with the Treasurer immediately for a timely resolution.

The Principal and Treasurer will contact the Supervisor-Vocational Fiscal Services in the Office of Adult, Alternative, Vocational and Community Education when assistance is needed.

**MEMORANDUM**

April 12, 2018  
JB#148/2017-2018  
(305) 572-2800

**TO:** Ms. Valtena G. Brown, Deputy Superintendent/Chief Operating Officer  
School Operations

**FROM:**  Jose Bueno, Region Superintendent  
North Region Office

**SUBJECT: RESPONSES TO AUDIT REPORT OF NORTH REGION OFFICE SCHOOLS**

Attached, please find the response to the audit findings for the 2015-2016 and 2016-2017 fiscal years for North County K-8 Center, Linda Lentin K-8 Center and Henry H. Filer Middle School. The North Region Office has reviewed the exceptions cited. The following support activities have been implemented at the Region level.

**North County K-8 Center**

**1. Inadequate Oversight Over Internal funds Resulted in Overspending, Bookkeeping Errors and Non-Compliance with Receipt and Disbursement Guidelines**

The North Region Office Financial Human Capital Director and the Principal established a plan for the Principal to implement and monitor with the Assistant Principal and Treasurer to ensure that bookkeeping, receipting and disbursement processes are followed accordingly. The Principal will thoroughly review the *Manual of Internal Fund Accounting* with the Assistant Principal and Treasurer to ensure understanding of procedures and guidelines.

The Principal was instructed to meet with the Treasurer immediately upon the completion of scheduled trainings to further ensure an understanding of responsibilities. Also, the Principal was instructed to meet with the Treasurer on a weekly basis to review bookkeeping functions, receipts and disbursements to ensure accuracy and to assist in the timely prevention of accounting/posting errors and to monitor account balances for sufficient funds.

The Principal was instructed to establish a plan with the Treasurer to ensure that accounts have sufficient funds before approving any expenditures and before signing any checks. Additionally, the Principal was instructed to have the Assistant Principal meet bi-weekly with the Treasurer to review all functions to further strengthen the check and balance system.

The Principal was instructed to conduct a meeting with the Treasurer and sponsoring faculty and staff to review and ensure understanding of procedures and timelines for receipting and depositing collections. Additionally, the Principal was instructed to establish a plan with the Treasurer to strengthen the collection system to include the proper utilization of the *Collections/Deposit Log* to account for any collections held



overnight. Also, the Principal was instructed to purchase and identify a secure location for a small safe to further ensure security of collections.

Before signing off on any disbursements over \$1000.00, the Principal was instructed to review with the Treasurer the three written quotes including one from a minority vendor and ensure they properly support the items purchased.

The North Region Office Financial Human Capital Director has established a mentor system and assigned a mentor for the Treasurer to serve as an immediate liaison to answer questions or concerns regarding responsibilities and procedures.

Furthermore, the Principal has been instructed to attend the 2018-2019 School Operations' Money Does Matter Support Program sessions. Lastly, the North Region Office Financial Human Capital Director will ensure that the "In-House Review Teams" within each feeder pattern assist the school to provide additional support in this area.

#### **Linda Lentin K-8 Center**

##### **1. Inadequate Controls Over the Bookkeeping Function Disclosed Discrepancies in the Year-End Bank Reconciliation, Deficit Balances, Non-Compliance With Disbursement Guidelines, And Other Discrepancies**

The North Region Office Financial Human Capital Director and the Principal established a plan to implement and monitor to ensure controls over bookkeeping functions are strengthened and in compliance and follow all guidelines as outlined in the *Manual of Internal Fund Accounting*. Additionally, the Principal will thoroughly review with the Treasurer and Assistant Principal to ensure understanding of procedures and guidelines of reconciliations and disbursements.

The Principal was instructed to ensure the Treasurer attends additional internal funds trainings and to also ensure that regular meetings take place with the assigned Business Manager. The Principal was instructed to report any inconsistencies immediately so corrective action can be provided. The Principal was instructed to meet with the Treasurer immediately upon the completion of scheduled trainings to further ensure an understanding of responsibilities.

The Principal was instructed to hold weekly meetings with the Treasurer to review receipting, posting, and depositing of collections and to ensure that accounts have sufficient funds before approving expenditures and before signing checks.

The North Region Office Financial Human Capital Director established a mentor system and assigned a mentor for both the Principal and Treasurer to serve as immediate liaisons to answer questions or concerns regarding responsibilities and procedures.

##### **2. Inadequate Recordkeeping, Documenting, And Reporting of Payroll and Non-Compliance With Payroll Sign-In Procedures**

The North Region Office Financial Human Capital Director and the Principal established a plan to strengthen the controls over recordkeeping/ documenting and

receipting of payroll and payroll sign-in procedures to ensure payroll procedures are in compliance and follow all guidelines as outlined in the Payroll Processing Procedures Manual. Additionally, the Principal will thoroughly review the manual with the Payroll Clerk and Assistant Principal to ensure understanding of procedures and guidelines of processing payroll and leave card procedures.

The Principal was instructed to assign an Assistant Principal to assist in overseeing payroll sign in (Daily Payroll Attendance Sheet) and to report any discrepancies immediately to the Principal so corrective actions can take place.

Additionally, the Principal was instructed to assign an Assistant Principal to review the payroll prior to Principal review and approval to ensure that rosters and leave cards are properly completed and forms are signed and filed and the payroll information reflected on the rosters accurately and fully supports the payroll certified in the system.

The North Region Office Financial Human Capital Director established a mentor system and assigned a mentor for both the Principal and Treasurer to serve as immediate liaisons to answer questions or concerns regarding responsibilities and procedures.

#### **Henry H. Filer Middle School**

##### **1. Improper Oversight of the Bookkeeping Function Resulted in Non-Compliance with Receipt and Disbursement Documentation, Bookkeeping Discrepancies and Posting Errors**

The North Region Office Financial Human Capital Director and the newly assigned Principal established a plan for the Principal to implement and monitor with the Assistant Principal and Treasurer to ensure that bookkeeping, receipting, posting and disbursement processes are followed accordingly. The Principal will thoroughly review the Manual of Internal Fund Accounting with the Assistant Principal and Treasurer to ensure understanding of procedures and guidelines.

The Principal was instructed to schedule additional internal funds trainings for the Treasurer and to also ensure regular meetings are scheduled with the assigned Business Manager. The Principal was instructed to meet with the Treasurer immediately upon the completion of scheduled trainings to further ensure an understanding of responsibilities. Furthermore, the Principal was instructed to meet weekly with the Treasurer and to ensure his Assistant Principal meets bi-weekly with the Treasurer to further strengthen the controls over the bookkeeping of the funds, the receipting, posting and depositing of collections and the disbursement of the funds.

The Principal was instructed to meet with sponsoring faculty and staff to review the timelines for receipting and depositing collections for awareness and understanding and to ensure compliance with the guidelines. Additionally, the Principal was instructed to devise an organized schedule with his Treasurer for sponsors to turn in collections, process them and issue a receipt from the system at the same time monies are exchanged.

The Principal was instructed to direct the Treasurer to follow all posting and depositing timelines and to clear any outstanding checks in a timely manner. Additionally, the

Principal was instructed to direct the Treasurer to utilize the *Collection/Deposit Log* to account for any collections held overnight and ensure the Assistant Principal assists the Treasurer with this process.

Additionally, the Principal was instructed to direct the Treasurer to solicit three quotations for purchases over \$1000.00 including one from a certified minority and ensure they properly support the items purchased.

The North Region Office Financial Human Capital Director established a mentor system and assigned a mentor for the Treasurer to serve as an immediate liaison to answer questions or concerns regarding responsibilities and procedures.

## **2. Controls Over Student Activities Including Yearbook Activity Need Improvement**

The North Region Office Financial Human Capital Director and the newly assigned Principal established a plan to implement and monitor with the Assistant Principal, Activity Sponsors, Yearbook Sponsor and Treasurer to ensure controls are strengthened over activities/fundraisers. Additionally, the Principal will thoroughly review the *Manual of Internal Fund Accounting*, with the Assistant Principal and Treasurer to ensure understanding of procedures and guidelines.

The Principal was instructed to meet with all sponsoring staff and the Treasurer to ensure *Student Activity Operating Reports* are prepared and filed with internal funds records. Additionally, the Principal was instructed to ensure sponsors utilized pre-numbered admission tickets to control the revenues to events where an admission fee is charged.

The Principal was instructed to ensure *Yearbook Monthly Operating Reports* and *Yearbook Distribution Reports* are in place and filed accordingly. Additionally, the Principal was instructed to discuss the yearbook activity with the sponsor in order to reduce the number of books ordered for the 2017-2018 school year and strengthen the sales campaign to ensure increased sales and reduce the number of unsold books.

The North Region Office Financial Human Capital Director has established a support team for school staff. In addition to the assigned Business Manager, a mentor has been assigned to work with the Treasurer and Yearbook Sponsor to serve as an immediate liaison to answer questions or concerns regarding student activities and yearbook activity responsibilities.

Furthermore, the Principal has been instructed to attend the 2018-2019 School Operations' Money Does Matter Support Program sessions. Lastly, the North Region Office Financial Human Capital Director will ensure that the "In-House Review Teams" within each feeder pattern assist the school to provide additional support in this area.

Should you need additional information, please contact me at (305) 572-2800.

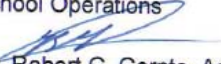
JB/SA/IM

cc: Ms. Sally J. Alayon  
Ms. Cynthia Gracia

MEMORANDUM

April 10, 2018

TO: Ms. Valtena G. Brown, Deputy Superintendent/Chief Operating Officer  
School Operations

FROM:   
Mr. Robert G. Gornto, Assistant Superintendent  
School Operations

SUBJECT: **RESPONSE TO AUDIT REPORT OF ADULT AND TECHNICAL CENTER**

The following is submitted in response to the Audit Report of Miami Senior Adult Education for the 2015-2016 and 2016-2017 fiscal years. The Adult, Alternative, and Community School Office plans to implement the following as support on the Administrative level.

**Miami Senior Adult Education**

1. **Bookkeeper Errors Resulted In Third Party Agency Billings For Sales Receivable Transactions That Were Not Submitted For Payment And That The School May Be Unable To Recover. In Addition, Some Fee Transmittals Are Still Pending**

The Administrative Director of Adult and Community Education and the Principal established a plan to implement that will strengthen the processes affected. The plan encompasses thoroughly reviewing the *Manual of Internal Fund Accounting*, the *Adult Education Handbook* and all ancillary documentation needed to ensure compliance with District policy.

The Administrative Director of Adult and Community Education instructed the Principal and Assistant Principal to meet regularly with the Treasurer and Registrar to ensure the proper registering and withdrawing of students; the timeliness of agency billing and payments; monitoring of receivables reports; and the timeliness of posting transmittals.

Furthermore, the Principal has been instructed to request assistance from the Vocational Fiscal Services Supervisor if additional training or assistance is needed in the affected areas.

Lastly, the Principal will register and participate in the districts Money DOES Matter Support Program for the 2018-2019 school year.


Should you need additional information, please contact me at (305) 995-7662.

cc: Dr. Reginald Johnson  
Cynthia Gracia

**MEMORANDUM**

**April 20, 2018**

**TO:** Iraida Mendez-Cartaya, Interim Chief Auditor  
Office of Management and Compliance Audits

**FROM:** Valtena G. Brown, Deputy Superintendent/Chief Operating Officer   
School Operations

**SUBJECT: SCHOOL OPERATIONS RESPONSE TO SELECTED SCHOOL AUDITS IN THE NORTH REGION CENTER**

School Operations has reviewed the audit findings cited in the 2015-2016 and 2016-2017 fiscal year reports of Linda Lentin K8 Center; North County K8 Center and Henry H. Filer Middle School. In response to the reports, the following list outlines preventative actions taken by School Operations:

- Collaborative meetings have been conducted between School Operations, Financial Services and Human Capital. The purpose of these meetings was to review, discuss and identify strategies to implement a mentor and training support program for Treasurers.
- A purchasing directive was transmitted to all schools regarding disbursement controls that involved purchases made through Internal Funds, Procurement and the P-Card.
- A group for all Treasurers through Money DOES Matter Support Program @ School Operations has been created in Workplace to provide Money Smart Tips. This provides Treasurers with relevant practices and procedures to further support sound fiscal management at the school site.
- The Money DOES Matter Support Program has expanded required participants to include Treasurers of schools with audit findings.

If you have any questions, please contact me at 305 995-2938.


VGB:cg  
M097

cc Region Superintendent  
Ms. Cynthia Gracia  
Region Director

**MEMORANDUM**

**April 13, 2018**

**TO:** Iraida Mendez-Cartaya, Interim Chief Auditor  
Office of Management and Compliance Audits

**FROM:** Valtena G. Brown, Deputy Superintendent/Chief Operating Officer   
School Operations

**SUBJECT: SCHOOL OPERATIONS RESPONSE TO SCHOOL AUDIT OF MIAMI SENIOR ADULT**

School Operations has reviewed the audit findings cited in the 2015-2016 and 2016-2017 fiscal year reports of Miami Senior Adult Education. The following preventive actions will be taken through School Operations:

- The Districts School Operations Administrative Director has met with the Vocational Fiscal Services Supervisor to review, discuss and identify strategies to implement to ensure that adequate controls are in place as it relates to third party billings for sales receivable transaction.
- Vocational Fiscal Services Supervisor and Districts School Operations Administrative Director will continue to coordinate colleague to colleague support through Fiscal Review Team site visits to provide support in Fiscal and Organizational Management, as well as, monitoring that all pending and future fee transmittals are paid in a timely manner.
- Districts School Operations Administrative Director will continue to coordinate and provide information to school site administrators and staff on best business practices, including related financial areas of concern through the Money DOES Matter Support Program and during *Money Smarts* sessions during Scaled Leadership Principal's meetings.

If you have any questions, please contact me at 305 995-2938.

VGB:cg  
M096

cc Region Superintendent  
Ms. Cynthia Gracia  
Region Director



## Anti-Discrimination Policy

### Federal and State Laws

The School Board of Miami-Dade County, Florida adheres to a policy of nondiscrimination in employment and educational programs/activities and strives affirmatively to provide equal opportunity for all as required by:

**Title VI of the Civil Rights Act of 1964** - prohibits discrimination on the basis of race, color, religion, or national origin.

**Title VII of the Civil Rights Act of 1964 as amended** - prohibits discrimination in employment on the basis of race, color, religion, gender, or national origin.

**Title IX of the Education Amendments of 1972** - prohibits discrimination on the basis of gender.

**Age Discrimination in Employment Act of 1967 (ADEA) as amended** - prohibits discrimination on the basis of age with respect to individuals who are at least 40.

**The Equal Pay Act of 1963 as amended** - prohibits gender discrimination in payment of wages to women and men performing substantially equal work in the same establishment.

**Section 504 of the Rehabilitation Act of 1973** - prohibits discrimination against the disabled.

**Americans with Disabilities Act of 1990 (ADA)** - prohibits discrimination against individuals with disabilities in employment, public service, public accommodations and telecommunications.

**The Family and Medical Leave Act of 1993 (FMLA)** - requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to "eligible" employees for certain family and medical reasons.

**The Pregnancy Discrimination Act of 1978** - prohibits discrimination in employment on the basis of pregnancy, childbirth, or related medical conditions.

**Florida Educational Equity Act (FEEA)** - prohibits discrimination on the basis of race, gender, national origin, marital status, or handicap against a student or employee.

**Florida Civil Rights Act of 1992** - secures for all individuals within the state freedom from discrimination because of race, color, religion, sex, national origin, age, handicap, or marital status.

**Title II of the Genetic Information Nondiscrimination Act of 2008 (GINA)** - prohibits discrimination against employees or applicants because of genetic information.

**Boy Scouts of America Equal Access Act of 2002** – no public school shall deny equal access to, or a fair opportunity for groups to meet on school premises or in school facilities before or after school hours, or discriminate against any group officially affiliated with Boy Scouts of America or any other youth or community group listed in Title 36 (as a patriotic society).

*Veterans are provided re-employment rights in accordance with P.L. 93-508 (Federal Law) and Section 295.07 (Florida Statutes), which stipulate categorical preferences for employment.*

#### **In Addition:**

**School Board Policies 1362, 3362, 4362, and 5517** - Prohibit harassment and/or discrimination against students, employees, or applicants on the basis of sex, race, color, ethnic or national origin, religion, marital status, disability, genetic information, age, political beliefs, sexual orientation, gender, gender identification, social and family background, linguistic preference, pregnancy, citizenship status, and any other legally prohibited basis. Retaliation for engaging in a protected activity is also prohibited.

For additional information contact:

Office of Civil Rights Compliance (CRC)  
Executive Director/Title IX Coordinator  
155 N.E. 15th Street, Suite P104E  
Miami, Florida 33132  
Phone: (305) 995-1580 TDD: (305) 995-2400  
Email: [crc@dadeschools.net](mailto:crc@dadeschools.net) Website: <http://crc.dadeschools.net>



***Miami-Dade County Public Schools***

***INTERNAL AUDIT REPORT  
SELECTED SCHOOLS/CENTERS  
MAY 2018***

**Office of Management and Compliance Audits  
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