

MIAMI-DADE COUNTY PUBLIC SCHOOLS

***Internal Audit Report
Selected
Schools/Centers***



All 40 Schools/Centers Reported Herein Were Generally Compliant With Policies And Procedures, And Site Records Were Maintained In Good Order.

The Financial Statements Corresponding To These 40 Schools/Centers Were Fairly Stated.

Property Inventory Results Were Satisfactory For Most Schools/Centers In This Report, And Overall Equipment Losses Were Minimal.

September 2014

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

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Dr. Lawrence S. Feldman, Vice Chair
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Mr. Alberto M. Carvalho
Superintendent of Schools

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

Contributors To This Report:

School Audits Performed by:

Ms. Yvonne M. Barrios
Ms. Pamela L. Davis
Ms. Mayte Diaz
Mr. Hugo Garcia, CFE
Ms. Maite Jimenez
Ms. Mariela Jimenez-Linaje
Mr. Reginald Lafontant
Mr. Elliott Satz
Ms. Glendys Serra
Ms. Patricia A. Tumelty
Ms. Jeannie Vilato

School Audits Supervised and Reviewed by:

Ms. Maria T. Gonzalez, CPA
Ms. Tamara Wain, CPA

Property Audit Supervised and Performed by:

Mr. Rolando Gonzalez and Property Audits Staff

School Audit Report Prepared by:

Ms. Maria T. Gonzalez, CPA





Miami-Dade County Public Schools

giving our students the world

Superintendent of Schools
Alberto M. Carvalho

Chief Auditor
Jose F. Montes de Oca, CPA

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September 4, 2014

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 40 schools/centers. Of this total, 37 schools/centers report to the North Region Office, two centers report to the Office of Adult and Community Education, and a specialized education center reports to the Division of Exceptional Student Education and Student Support. At three of these 40 schools/centers, there was a change of Principal since the prior audit.

The audit period of all but one of the 40 schools/centers included herein is two fiscal years ended June 30, 2014. The audit period of the remaining school is one fiscal year ended June 30, 2014.

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 are properly safeguarded. The audits included a review of internal funds at all the schools/centers. On a selected basis, we reviewed payroll, credit card purchases, Title I Program expenditures and procedures, Full-Time-Equivalent (FTE) reporting and student records, and selected aspects of data security. The audits also included the results of property inventories.

Our audits disclosed that the financial statements of all 40 schools/centers reported herein were fairly stated. At these schools/centers, we found general compliance with prescribed policies and procedures, and site records were maintained in good order. At the time of publication of this report, we performed property inventories at 25 of the 40 schools/centers reported herein. Property inventory results were satisfactory for the most part, and overall equipment losses were minimal.

We would like to thank the schools' staff and administration for the cooperation and consideration provided to the audit staff during the performance of these audits.

Sincerely,

Jose F. Montes de Oca, CPA
Chief Auditor

Office of Management and Compliance Audits

JFM:mtg

TABLE OF CONTENTS

	<u>Page Number</u>
EXECUTIVE SUMMARY	1
CONDENSED ANNUAL FINANCIAL REPORTS.....	6
INTERNAL CONTROLS RATING	16
SUMMARY SCHEDULE OF AUDIT FINDINGS	20
LIST OF PRINCIPALS/SITE ADMINISTRATORS	24
PROPERTY SCHEDULE.....	28
OBJECTIVES, SCOPE AND METHODOLOGY	30
BACKGROUND.....	32
ORGANIZATIONAL CHART (SCHOOLS/CENTERS)	37

EXECUTIVE SUMMARY

The Office of Management and Compliance Audits has completed the internal audits of 40 schools/centers. These include 37 schools/centers that currently report to the North Region Office; two centers that currently report to the Office of Adult and Community Education (Systemwide Business Industry Services¹ and the Juvenile Justice Center); and a specialized education center that currently reports to the Division of Exceptional Student Education and Student Support (Thena C. Crowder Early Childhood Diagnostic & Special Education Center). At three of these 40 schools/centers, there was a change of Principal since the prior audit.

The audit period of 39 of the 40 schools/centers reported herein is two fiscal years ended June 30, 2014. At the remaining school (Miami Lakes K-8 Center), the audit period is one fiscal year ended June 30, 2014.

The audits disclosed that all 40 schools/centers reported herein maintained their records in accordance with prescribed policies and procedures and in good order. There were no findings to report.

At all 40 schools/centers, the financial statements present fairly, in all material respects, the changes in fund balances arising from the cash transactions of the schools/centers during the 2012-2013 and/or 2013-2014 fiscal year(s), depending on the school/center audited, on the cash basis of accounting.

As of June 30, 2013 for 39 of the 40 schools/centers reported herein, total combined receipts and disbursements amounted to \$6,006,574 and \$5,988,627, respectively; while total combined cash and investments amounted to \$2,328,793 (Pages 6-9).

As of June 30, 2014, for all 40 schools/centers reported herein, total combined receipts and disbursements amounted to \$6,166,378 and \$6,164,103, respectively; while total combined cash and investments amounted to \$2,345,717 (Pages 10-14).

As of June 30, 2014, the internal control structure at all 40 schools/centers generally functioned as designed by the District and implemented by the school administration.

- *We congratulate the principals/site administrators and staffs of these schools/centers and the corresponding region/district offices for implementing and enforcing at the school sites business practices that promote accountability and compliance with School Board policy.*

¹ Refer to page 36 for background information regarding this entity.

INTERNAL FUNDS

Internal funds records and procedures were reviewed at all 40 schools/centers. We found general compliance with the procedures established in the *Manual of Internal Fund Accounting* at all 40 schools/centers.

PAYROLL

We reviewed current payroll records and procedures at the following 14 schools/centers:

School/Center Name	Region	School/Center Name	Region
Brentwood Elementary	North	Aventura Waterways K-8 Center	North
Madie Ives Elementary ²	North	David Lawrence Jr. K-8 Center	North
Norland Elementary ²	North	Miami Lakes K-8 Center ²	North
Palm Lakes Elementary	North	Lake Stevens Middle	North
Parkview Elementary	North	Jose Marti MAST 6-12 Academy	North
Spanish Lake Elementary	North	Barbara Goleman Senior	North
West Hialeah Gardens Elementary	North	Hialeah Gardens Senior	North

At all 14 schools/centers, there was general compliance with the *Payroll Processing Procedures Manual*.

PROPERTY

The results of physical inventories of property items with an individual cost of \$1,000 or more are reported for 25 of the 40 schools/centers. Property audits for 14 schools/centers could not be finalized in time to include in this report and will be reported at a later date this fiscal year. Systemwide Business Industry Services does not report property since it is physically located within the Office of Adult and Community Education, and the district office accounts for this center's property.

At 25 schools/centers, Property Audits staff inventoried a total of approximately 4,200 equipment items with a total approximate cost of \$9.9 million. Of the 25 schools/centers, 24 proved satisfactory. At Mae M. Walters Elementary, two equipment items with a

² Change of Principal at this school/center (3 schools/centers).

depreciated value of zero and an aggregate total cost of \$2,641 could not be located (refer to Property Schedule on pages 28-29).

Property inventories also include the review of property losses reported by the schools/centers through the Plant Security Report process; *however, none of the schools/centers reported herein had any losses to report via this mechanism.*

PURCHASING CREDIT CARD (P-CARD) PROGRAM

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

School/Center Name	Region	School/Center Name	Region
Biscayne Elementary	North	Spanish Lake Elementary	North
Fulford Elementary	North	Jose Marti MAST 6-12 Academy	North
Madie Ives Elementary	North	Hialeah Gardens Senior	North

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

TITLE I PROGRAM EXPENDITURES AND PROCEDURES

A review of Title I Program expenditures and procedures for the 2012-2013 or 2013-2014 fiscal year (depending on the school audited as noted in the following table), was conducted at the following three schools/centers since our last report in June 2014:

School/Center Name	Region Office	Audit Period	Total Expenditures
Palm Lakes Elementary	North	2013-2014	\$ 281,037
West Hialeah Gardens Elementary	North	2012-0213	225,073
Country Club Middle	North	2013-2014	283,132
Total Title I Program Expenditures			\$ 789,242

Total expenditures incurred under various Title I programs amounted to approximately \$800 thousand. Results of our audits disclosed that all three schools/centers selected for Title I Program audits were generally compliant with the policies and procedures established by the *Title I Administration Handbook*.

FULL-TIME-EQUIVALENT (FTE) FUNDING

The following nine schools/centers were selected for these audits:

School/Center Name	Region Office	Survey Period (SP)	FTE Funding
Arch Creek Elementary	North	2013-2014 SP 3	\$ 1,324,238
Amelia Earhart Elementary	North	2013-2014 SP 3	1,144,162
Palm Lakes Elementary	North	2013-2014 SP 3	1,850,582
Aventura Waterways K-8 Center	North	2013-2014 SP 3	4,236,199
Ruth K. Broad/Bay Harbor K-8 Center	North	2013-2014 SP 3	2,815,844
David Lawrence Jr. K-8 Center	North	2013-2014 SP 3	3,566,764
Hialeah Gardens Middle	North	2013-2014 SP 3	3,944,152
Barbara Goleman Senior	North	2013-2014 SP 3	3,842,030
Hialeah Gardens Senior	North	2013-2014 SP 3	6,993,972
Total FTE Funding			\$ 29,717,943

The total FTE funding amounted to approximately \$29.7 million for the nine schools/centers combined. FTE records reviewed corresponded to the 2013-2014 fiscal year Survey Period 3 (February 2014), as noted in the previous table. Our FTE reviews disclosed that all nine schools/centers were generally compliant with District policy.

DATA SECURITY

We reviewed the report titled “Authorized Applications for Employees by Locations Report” at the following 13 schools/centers:

School/Center Name	Region	School/Center Name	Region
Amelia Earhart Elementary	North	Twin Lakes Elementary	North
Lake Stevens Elementary	North	Mae M. Walters Elementary	North
Norland Elementary	North	Country Club Middle	North
North Twin Lakes Elementary	North	Jose Marti MAST 6-12 Academy	North
Palm Springs North Elementary	North	Barbara Goleman Senior	North
Scott Lake Elementary	North	Hialeah Gardens Senior	North
Ben Sheppard Elementary	North		

Our review disclosed that all 13 schools/centers generally complied with the review of the report and with the requirements for granting access to system applications.

AUDIT OPINION

The following tables summarize total cash receipts and disbursements, and financial position of cash and investments as of June 30, 2013 and/or June 30, 2014, depending on the school/center audited, for the 40 schools/centers included herein. It also provides the audit opinion regarding the schools/centers’ financial statements:

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2013**

The Condensed Annual Financial Reports and Total Cash and Investments as of June 30, 2013 for 39 of the 40 schools/centers reported herein are:

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
<u>North Region Office Schools/Centers</u>									
0341	Arch Creek Elementary	\$ 12,289.56	\$ 22,875.05	\$ 20,151.98	\$ 15,012.63	\$ 6,861.40	\$ 8,151.23	\$ -	\$ 15,012.63
0321	Biscayne Elementary	11,998.77	171,211.78	168,875.31	14,335.24	5,376.41	8,958.83	-	14,335.24
0461	Brentwood Elementary	18,763.31	15,148.85	21,524.08	12,388.08	7,339.15	5,048.93	-	12,388.08
1521	Amelia Earhart Elementary	15,077.92	72,540.19	73,129.42	14,488.69	2,240.99	12,247.70	-	14,488.69
2081	Fulford Elementary	12,824.96	24,222.17	23,793.21	13,253.92	6,662.14	6,591.78	-	13,253.92
2181	Joella C. Good Elementary	11,127.28	335,264.41	333,380.05	13,011.64	4,846.89	8,164.75	-	13,011.64
2581	Madie Ives Elementary	38,205.73	35,158.47	32,988.18	40,376.02	8,317.34	32,058.68	-	40,376.02
2801	Lake Stevens Elementary	6,243.26	46,779.60	46,843.75	6,179.11	3,596.06	2,583.05	-	6,179.11
3701	Norland Elementary	11,563.87	52,484.16	53,726.39	10,321.64	6,684.05	3,637.59	-	10,321.64
5131	No. Dade Ctr. For Modern Lang. El.	27,122.45	43,474.94	41,436.90	29,160.49	13,929.05	15,231.44	-	29,160.49

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2013**

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
3981	North Twin Lakes Elementary	20,733.97	123,235.02	126,286.78	17,682.21	12,420.00	5,262.21	-	17,682.21
4241	Palm Lakes Elementary	13,747.38	60,739.44	62,753.50	11,733.32	6,503.15	5,230.17	-	11,733.32
4281	Palm Springs North Elementary	25,374.18	410,529.67	406,905.57	28,998.28	6,940.26	22,058.02	-	28,998.28
4301	Parkview Elementary	14,178.25	18,846.35	20,408.18	12,616.42	8,313.16	4,303.26	-	12,616.42
4881	Scott Lake Elementary	14,169.58	132,381.96	130,164.76	16,386.78	9,156.14	7,230.64	-	16,386.78
5021	Ben Sheppard Elementary	12,044.15	276,138.09	276,020.42	12,161.82	6,103.72	6,058.10	-	12,161.82
5091	South Pointe Elementary	48,645.57	259,858.20	281,216.80	27,286.97	4,841.52	22,445.45	-	27,286.97
2191	Spanish Lake Elementary	22,935.73	56,444.85	61,177.10	18,203.48	3,988.94	14,214.54	-	18,203.48
5601	Twin Lakes Elementary	25,623.14	65,276.04	63,614.35	27,284.83	4,390.40	22,894.43	-	27,284.83
5711	Mae M. Walters Elementary	21,362.62	22,534.28	25,136.49	18,760.41	9,392.10	9,368.31	-	18,760.41
2371	West Hialeah Gardens Elementary	28,161.99	307,090.03	302,368.23	32,883.79	31,370.30	1,513.49	-	32,883.79

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2013**

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
0231	Aventura Waterways K-8 Center	17,943.94	487,975.94	475,025.52	30,894.36	20,227.17	10,667.19	-	30,894.36
0241	Ruth K. Broad/Bay Harbor K-8 Center	21,307.40	224,918.44	223,944.83	22,281.01	10,877.94	11,403.07	-	22,281.01
0092	Norman S. Edicup/Sunny Isles Beach K-8	30,010.44	166,629.92	172,762.93	23,877.43	20,820.31	3,057.12	-	23,877.43
0761	Fienberg/Fisher K-8 Center	138,156.42	182,341.46	214,187.31	106,310.57	41,447.87	64,862.70	-	106,310.57
5005	David Lawrence Jr. K-8 Center	22,848.91	285,437.58	280,194.49	28,092.00	17,895.24	10,196.76	-	28,092.00
3581	Myrtle Grove K-8 Center	8,273.82	29,904.31	23,476.17	14,701.96	8,409.49	6,292.47	-	14,701.96
6161	Lawton Chiles Middle	25,145.93	45,813.60	38,770.07	32,189.46	9,861.37	22,328.09	-	32,189.46
6611	Country Club Middle	45,266.64	99,201.67	106,149.44	38,318.87	10,327.22	27,991.65	-	38,318.87
6751	Hialeah Gardens Middle	33,547.03	166,262.00	164,453.22	35,355.81	34,846.83	508.98	-	35,355.81
6351	Lake Stevens Middle	20,660.26	74,987.43	68,189.67	27,458.02	11,512.46	15,945.56	-	27,458.02
6421/7291	Jose Martí MAST 6-12 Academy	40,057.72	79,959.22	81,186.78	38,830.16	16,509.10	22,321.06	-	38,830.16

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2013**

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
6501	Miami Lakes Middle	74,022.69	76,421.35	74,766.89	75,677.15	7,893.41	67,783.74	-	75,677.15
7751	Barbara Goleman Senior	225,177.64	520,767.05	531,239.44	214,705.25	17,651.61	197,053.64	-	214,705.25
7191	Hialeah Gardens Senior	82,762.35	655,336.34	656,818.42	81,280.27	80,262.31	1,017.96	-	81,280.27
8151	Robert Renick Educational Center	19,769.24	44,132.13	46,332.33	17,569.04	10,936.74	6,632.30	-	17,569.04
<u>Alternative Education Center</u>									
8141	Juvenile Justice Center	20,107.38	7,352.31	7,378.01	20,081.68	20,081.68	-	-	20,081.68
<u>Specialized Education Center</u>									
2531	Thena C. Crowder Early Childhood Diagnostic & Special Education Center	7,439.57	1,517.18	3,312.97	5,643.78	2,647.15	2,996.63	-	5,643.78
<u>Other Center</u>									
8018	Systemwide Business Industry Services	1,066,155.40	305,382.16	248,537.38	1,123,000.18	118,213.22	1,004,786.96	-	1,123,000.18
TOTALS		\$ 2,310,846.45	\$ 6,006,573.64	\$ 5,988,627.32	\$ 2,328,792.77	\$ 629,694.29	\$ 1,699,098.48	\$ -	\$ 2,328,792.77

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2014**

The Condensed Annual Financial Reports and Total Cash and Investments as of June 30, 2014 for the 40 schools/centers reported herein are:

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
<u>North Region Office Schools/Centers</u>									
0341	Arch Creek Elementary	\$ 15,012.63	\$ 18,375.05	\$ 19,233.66	\$ 14,154.02	\$ 2,956.18	\$ 11,197.84	\$ -	\$ 14,154.02
0321	Biscayne Elementary	14,335.24	164,725.96	163,892.42	15,168.78	6,162.92	9,005.86	-	15,168.78
0461	Brentwood Elementary	12,388.08	26,438.92	24,691.83	14,135.17	9,062.41	5,072.76	-	14,135.17
1521	Amelia Earhart Elementary	14,488.69	82,623.62	82,546.52	14,565.79	2,253.82	12,311.97	-	14,565.79
2081	Fulford Elementary	13,253.92	31,673.21	30,072.86	14,854.27	8,227.91	6,626.36	-	14,854.27
2181	Joella C. Good Elementary	13,011.64	346,621.08	345,945.44	13,687.28	5,479.68	8,207.60	-	13,687.28
2581	Madie Ives Elementary	40,376.02	44,299.56	48,549.48	36,126.10	3,900.15	32,225.95	-	36,126.10
2801	Lake Stevens Elementary	6,179.11	11,933.21	12,071.49	6,040.83	3,444.21	2,596.62	-	6,040.83
3701	Norland Elementary	10,321.64	50,886.96	48,931.51	12,277.09	8,620.41	3,656.68	-	12,277.09

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2014**

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
5131	No. Dade Ctr. For Modern Lang. El.	29,160.49	47,655.13	49,096.29	27,719.33	12,407.96	15,311.37	-	27,719.33
3981	North Twin Lakes Elementary	17,682.21	151,577.74	150,111.72	19,148.23	13,858.42	5,289.81	-	19,148.23
4241	Palm Lakes Elementary	11,733.32	45,517.44	46,138.57	11,112.19	5,854.57	5,257.62	-	11,112.19
4281	Palm Springs North Elementary	28,998.28	422,174.31	417,465.15	33,707.44	11,533.68	22,173.76	-	33,707.44
4301	Parkview Elementary	12,616.42	11,232.29	14,669.17	9,179.54	4,853.71	4,325.83	-	9,179.54
4881	Scott Lake Elementary	16,386.78	42,803.48	44,539.79	14,650.47	7,381.89	7,268.58	-	14,650.47
5021	Ben Sheppard Elementary	12,161.82	307,111.15	296,886.27	22,386.70	16,296.81	6,089.89	-	22,386.70
5091	South Pointe Elementary	27,286.97	260,383.84	262,275.55	25,395.26	2,832.02	22,563.24	-	25,395.26
2191	Spanish Lake Elementary	18,203.48	73,741.41	75,809.28	16,135.61	3,850.16	12,285.45	-	16,135.61
5601	Twin Lakes Elementary	27,284.83	30,755.27	21,925.80	36,114.30	13,099.74	23,014.56	-	36,114.30

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2014**

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
5711	Mae M. Walters Elementary	18,760.41	33,425.70	31,094.55	21,091.56	5,674.07	15,417.49	-	21,091.56
2371	West Hialeah Gardens Elementary	32,883.79	327,642.68	331,230.58	29,295.89	27,774.46	1,521.43	-	29,295.89
0231	Aventura Waterways K-8 Center	30,894.36	565,083.03	552,502.68	43,474.71	32,751.54	10,723.17	-	43,474.71
0241	Ruth K. Broad/Bay Harbor K-8 Center	22,281.01	179,968.10	176,428.72	25,820.39	14,357.47	11,462.92	-	25,820.39
0092	Norman S. Edicup/Sunny Isles Beach K-8	23,877.43	209,074.63	209,019.19	23,932.87	20,859.72	3,073.15	-	23,932.87
0761	Fienberg/Fisher K-8 Center	106,310.57	216,096.00	145,393.73	177,012.84	111,809.76	65,203.08	-	177,012.84
5005	David Lawrence Jr. K-8 Center	28,092.00	296,001.82	299,298.94	24,794.88	14,544.61	10,250.27	-	24,794.88
3281	Miami Lakes K-8 Center*	14,649.53	173,183.65	170,684.06	17,149.12	13,650.64	3,498.48	-	17,149.12
3581	Myrtle Grove K-8 Center	14,701.96	33,345.36	33,060.73	14,986.59	8,661.10	6,325.49	-	14,986.59
6161	Lawton Chiles Middle	32,189.46	22,488.40	21,091.46	33,586.40	11,141.13	22,445.27	-	33,586.40

Note:

* Miami Lakes K-8 Center is the only school/center from this group where the audit scope is a one year audit for the period ended June 30, 2014. All other schools/centers are two fiscal year audits for the period ended June 30, 2014.

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2014**

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
6611	Country Club Middle	38,318.87	96,911.70	100,085.97	35,144.60	7,006.94	28,137.66	-	35,144.60
6751	Hiialeah Gardens Middle	35,355.81	218,530.46	213,933.54	39,952.73	39,441.08	511.65	-	39,952.73
6351	Lake Stevens Middle	27,458.02	85,282.16	85,502.46	27,237.72	11,208.50	16,029.22	-	27,237.72
6421/7291	Jose Marti MAST 6-12 Academy	38,830.16	171,911.20	163,601.95	47,139.41	24,701.23	22,438.18	-	47,139.41
6501	Miami Lakes Middle	75,677.15	74,149.21	71,420.01	78,406.35	10,266.90	68,139.45	-	78,406.35
7751	Barbara Goleman Senior	214,705.25	486,765.86	513,361.28	188,109.83	10,041.74	178,068.09	-	188,109.83
7191	Hiialeah Gardens Senior	81,280.27	656,896.19	644,873.25	93,303.21	92,279.92	1,023.29	-	93,303.21
8151	Robert Renick Educational Center	17,569.04	34,590.59	33,712.14	18,447.49	5,764.95	12,682.54	-	18,447.49
<u>Alternative Education Center</u>									
8141	Juvenile Justice Center	20,081.68	1,819.72	1,819.72	20,081.68	20,081.68	-	-	20,081.68

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2014**

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
<u>Specialized Education Center</u>									
2531	Thena C. Crowder Early Childhood Diagnostic & Special Education Center	5,643.78	2,804.41	2,375.82	6,072.37	3,060.03	3,012.34	-	6,072.37
<u>Other Center</u>									
8018	Systemwide Business Industry Services	1,123,000.18	109,877.05	208,759.13	1,024,118.10	109,210.13	914,907.97	-	1,024,118.10
TOTALS		\$2,343,442.30	\$ 6,166,377.55	\$ 6,164,102.71	\$ 2,345,717.14	\$ 736,364.25	\$ 1,609,352.89	\$ -	\$ 2,345,717.14

AUDIT OPINION

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

At all 40 schools/centers, the financial statements present fairly, in all material respects, the changes in fund balances arising from the cash transactions of the schools/centers during the 2012-2013 and/or 2013-2014 fiscal year(s), depending on the school/center audited, on the cash basis of accounting.

As of June 30, 2013 for 39 of the 40 schools/centers reported herein, total combined receipts and disbursements amounted to \$6,006,573.64 and \$5,988,627.32, respectively; while total combined cash and investments amounted to \$2,328,792.77. (Pages 6-9).

As of June 30, 2014, for all 40 schools/centers reported herein, total combined receipts and disbursements amounted to \$6,166,377.55 and \$6,164,102.71, respectively; while total combined cash and investments amounted to \$2,345,717.14 (Pages 10-14).

As of June 30, 2014, the internal control structure at all 40 schools/centers generally functioned as designed by the District and implemented by the school administration.



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

INTERNAL CONTROLS RATING

The internal control ratings for the 40 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>							
Arch Creek Elementary	✓			✓			Not Likely to impact.
Biscayne Elementary	✓			✓			Not Likely to impact.
Brentwood Elementary	✓			✓			Not Likely to impact.
Amelia Earhart Elementary	✓			✓			Not Likely to impact.
Fulford Elementary	✓			✓			Not Likely to impact.
Joella C. Good Elementary	✓			✓			Not Likely to impact.
Madie Ives Elementary	✓			✓			Not Likely to impact.
Lake Stevens Elementary	✓			✓			Not Likely to impact.
Norland Elementary	✓			✓			Not Likely to impact.
No. Dade Ctr. For Modern Languages Elementary	✓			✓			Not Likely to impact.
North Twin Lakes 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	
Palm Lakes Elementary	✓			✓			Not Likely to impact.
Palm Springs North Elementary	✓			✓			Not Likely to impact.
Parkview Elementary	✓			✓			Not Likely to impact.
Scott Lake Elementary	✓			✓			Not Likely to impact.
Ben Sheppard Elementary	✓			✓			Not Likely to impact.
South Pointe Elementary	✓			✓			Not Likely to impact.
Spanish Lake Elementary	✓			✓			Not Likely to impact.
Twin Lakes Elementary	✓			✓			Not Likely to impact.
Mae M. Walters Elementary	✓			✓			Not Likely to impact.
West Hialeah Gardens Elementary	✓			✓			Not Likely to impact.
Aventura Waterways K-8 Center	✓			✓			Not Likely to impact.
Ruth K. Broad/Bay Harbor K-8 Center	✓			✓			Not Likely to impact.
Norman S. Edelcup/Sunny Isles Beach K-8	✓			✓			Not Likely to impact.

INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Fienberg/Fisher K-8 Center	✓			✓			Not Likely to impact.
David Lawrence Jr. K-8 Center	✓			✓			Not Likely to impact.
Miami Lakes K-8 Center	✓			✓			Not Likely to impact.
Myrtle Grove K-8 Center	✓			✓			Not Likely to impact.
Lawton Chiles Middle School	✓			✓			Not Likely to impact.
Country Club Middle	✓			✓			Not Likely to impact.
Hialeah Gardens Middle	✓			✓			Not Likely to impact.
Lake Stevens Middle	✓			✓			Not Likely to impact.
Jose Marti MAST 6-12 Academy	✓			✓			Not Likely to impact.
Miami Lakes Middle	✓			✓			Not Likely to impact.
Barbara Goleman Senior	✓			✓			Not Likely to impact.
Hialeah Gardens Senior	✓			✓			Not Likely to impact.
Robert Renick Educational Center	✓			✓			Not Likely to impact.

INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<u>Alternative Education Center</u>							
Juvenile Justice Center	✓			✓			Not Likely to impact.
<u>Specialized Education Center</u>							
Thena C. Crowder Early Childhood Diagnostic & Special Education Center	✓			✓			Not Likely to impact.
<u>Other Center</u>							
Systemwide Business Industry Services	✓			✓			Not Likely to impact.

SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

Summary of findings of the 40 schools/centers reported herein **without audit exceptions** are as follows:

WORK LOC. NO.	SCHOOLS/CENTERS	CURRENT YEAR FINDINGS		PRIOR YEAR FINDINGS	
		Total per School	Area Of Findings	Total per School	Area Of Findings
<u>North Region Office Schools/Centers</u>					
0341	Arch Creek Elementary	None		None	
0321	Biscayne Elementary	None		None	
0461	Brentwood Elementary	None		None	
1521	Amelia Earhart Elementary	None		None	
2081	Fulford Elementary	None		None	
2181	Joella C. Good Elementary	None		None	
2581	Madie Ives Elementary	None		None	
2801	Lake Stevens Elementary	None		None	
3701	Norland Elementary	None		None	
5131	North Dade Center For Modern Languages Elementary	None		None	
3981	North Twin Lakes Elementary	None		None	

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

WORK LOC. NO.	SCHOOLS/CENTERS	CURRENT YEAR FINDINGS		PRIOR YEAR FINDINGS	
		Total per School	Area Of Findings	Total per School	Area Of Findings
4241	Palm Lakes Elementary	None		None	
4281	Palm Springs North Elementary	None		None	
4301	Parkview Elementary	None		None	
4881	Scott Lake Elementary	None		None	
5021	Ben Sheppard Elementary	None		None	
5091	South Pointe Elementary	None		None	
2191	Spanish Lake Elementary	None		None	
5601	Twin Lakes Elementary	None		None	
5711	Mae M. Walters Elementary	None		None	
2371	West Hialeah Gardens Elementary	None		1	▪ FTE-ELL
0231	Aventura Waterways K-8 Center	None		None	
0241	Ruth K. Broad/Bay Harbor K-8 Center	None		None	

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

WORK LOC. NO.	SCHOOLS/CENTERS	CURRENT YEAR FINDINGS		PRIOR YEAR FINDINGS	
		Total per School	Area Of Findings	Total per School	Area Of Findings
0092	Norman S. Edelcup/Sunny Isles Beach K-8	None		None	
0761	Fienberg/Fisher K-8 Center	None		1	▪ Disbursements
5005	David Lawrence Jr. K-8 Center	None		None	
3281	Miami Lakes K-8 Center	None		None	
3581	Myrtle Grove K-8 Center	None		None	
6161	Lawton Chiles Middle School	None		None	
6611	Country Club Middle	None		None	
6751	Hialeah Gardens Middle	None		None	
6351	Lake Stevens Middle	None		None	
6421/ 7291	Jose Marti MAST 6-12 Academy	None		1	▪ Fundraising and Student Activities/ Disbursements
6501	Miami Lakes Middle	None		None	
7751	Barbara Goleman Senior	None		None	

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

WORK LOC. NO.	SCHOOLS/CENTERS	CURRENT YEAR FINDINGS		PRIOR YEAR FINDINGS	
		Total per School	Area Of Findings	Total per School	Area Of Findings
7191	Hialeah Gardens Senior	None		None	
8151	Robert Renick Educational Center	None		None	
<u>Alternative Education Center</u>					
8141	Juvenile Justice Center	None		None	
<u>Specialized Education Center</u>					
2531	Thena C. Crowder Early Childhood Diagnostic & Special Education Center	None		None	
<u>Other Center</u>					
8018	Systemwide Business Industry Services	None		None	
TOTAL		None		3	

LIST OF PRINCIPALS/SITE ADMINISTRATORS

Listed below are the names of the former and current principals/site administrators, as applicable for the 40 schools/centers **without audit exceptions**. The **highlighted table cell represents the principal(s)/site administrator(s) in charge of the school/center during the audit period**:

Work Loc. No.	Schools/Centers	Current Principal(s)/ Site Administrator(s)	Former Principal(s)/ Site Administrator(s)
<u>North Region Office Schools/Centers</u>			
0341	Arch Creek Elementary	Dr. Marie A. Bazile	N/A = No Change of Principal Since Prior Audit.
0321	Biscayne Elementary	Ms. Maria P. Costa	N/A = No Change of Principal Since Prior Audit.
0461	Brentwood Elementary	Dr. Sharon D. Jackson	N/A = No Change of Principal Since Prior Audit.
1521	Amelia Earhart Elementary	Ms. Lisa K. Wiggins	N/A = No Change of Principal Since Prior Audit.
2081	Fulford Elementary	Dr. Jean E. Teal	N/A = No Change of Principal Since Prior Audit.
2181	Joella C. Good Elementary	Ms. Lizette G. O'Halloran	N/A = No Change of Principal Since Prior Audit.
2581	Madie Ives Elementary*	Dr. Tanya R. Brown-Major (returning from leave)	Dr. Tanya R. Brown-Major (Through December 2013; on leave up to June 2014) Ms. Monefe M. Young (Through June 2014; presently Assistant Principal at Joella C. Good Elementary).
2801	Lake Stevens Elementary	Ms. Vanady A. Daniels	N/A = No Change of Principal Since Prior Audit.
3701	Norland Elementary*	Dr. Adam L. Kosnitzky	Ms. Karen S. Powers (Through June 2014; retired).
5131	North Dade Center For Modern Languages Elementary	Dr. Maria A. Castaigne	N/A = No Change of Principal Since Prior Audit.
3981	North Twin Lakes Elementary	Ms. Richelle T. Lumpkin	N/A = No Change of Principal Since Prior Audit.

Note:

* Change of Principal at this school/center (3 schools/centers).

LIST OF PRINCIPALS/SITE ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal(s)/ Site Administrator(s)	Former Principal(s)/ Site Administrator(s)
4241	Palm Lakes Elementary	Ms. Alina Q. Iglesias	N/A = No Change of Principal Since Prior Audit.
4281	Palm Springs North Elementary	Ms. Maribel B. Dotres	N/A = No Change of Principal Since Prior Audit.
4301	Parkview Elementary	Dr. Edith C. Hall	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.
5091	South Pointe Elementary	Ms. Melanie B. Fishman	N/A = No Change of Principal Since Prior Audit.
2191	Spanish Lake Elementary	Ms. Jacqueline Arias-Gonzalez	N/A = No Change of Principal Since Prior Audit.
5601	Twin Lakes Elementary	Ms. Ivette Bernal-Pino	N/A = No Change of Principal Since Prior Audit.
5711	Mae M. Walters Elementary	Ms. Yolanda L. Valls	N/A = No Change of Principal Since Prior Audit.
2371	West Hialeah Gardens Elementary	Ms. Sharon M. Gonzalez	N/A = No Change of Principal Since Prior Audit.
0231	Aventura Waterways K-8 Center	Mr. Luis A. Bello	N/A = No Change of Principal Since Prior Audit.
0241	Ruth K. Broad/Bay Harbor K-8 Center	Dr. Maria T. Rodriguez	N/A = No Change of Principal Since Prior Audit.
0092	Norman S. Edelcup/Sunny Isles Beach K-8	Dr. Annette H. Weissman	N/A = No Change of Principal Since Prior Audit.

LIST OF PRINCIPALS/SITE ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal(s)/ Site Administrator(s)	Former Principal(s)/ Site Administrator(s)
0761	Fienberg/Fisher K-8 Center	Ms. Maria G. Zabala	N/A = No Change of Principal Since Prior Audit.
5005	David Lawrence Jr. K-8 Center	Mr. Bernard L. Osborn	N/A = No Change of Principal Since Prior Audit.
3281	Miami Lakes K-8 Center*	Mr. Carlos A. Salcedo	Ms. Rosa L. Calvo (Through July 2014; presently on leave).
3581	Myrtle Grove K-8 Center	Mr. John D. Pace	N/A = No Change of Principal Since Prior Audit.
6161	Lawton Chiles Middle School	Mr. Nelson Izquierdo	N/A = No Change of Principal Since Prior Audit.
6611	Country Club Middle	Mr. Jose R. Fernandez	N/A = No Change of Principal Since Prior Audit.
6751	Hialeah Gardens Middle	Ms. Maritza D. Jimenez	N/A = No Change of Principal Since Prior Audit.
6351	Lake Stevens Middle	Dr. Mark Soffian	N/A = No Change of Principal Since Prior Audit.
6421/7291	Jose Marti MAST 6-12 Academy	Mr. Jose Enriquez Jr.	N/A = No Change of Principal Since Prior Audit.
6501	Miami Lakes Middle	Dr. Manuel Sanchez III	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.
7191	Hialeah Gardens Senior	Dr. Louis J. Algaze	N/A = No Change of Principal Since Prior Audit.
8151	Robert Renick Educational Center	Ms. Paulette Covin-Fredrik	N/A = No Change of Principal Since Prior Audit.

Note:

* Change of Principal at this school/center (3 schools/centers).

LIST OF PRINCIPALS/SITE ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal(s)/ Site Administrator(s)	Former Principal(s)/ Site Administrator(s)
<u>Alternative Education Center</u>			
8141	Juvenile Justice Center	Mr. Steven Payne	N/A = No Change of Principal Since Prior Audit.
<u>Specialized Education Center</u>			
2531	Thena C. Crowder Early Childhood Diagnostic & Special Education Center	Dr. Ann M. Sasseville, Site Administrator	N/A = No Change of Site Administrator Since Prior Audit.
<u>Other Center</u>			
8018	Systemwide Business Industry Services	Mr. Robert G. Gornito, Assistant Superintendent (Site administrator)	N/A = No Change of Site Administrator Since Prior Audit.

PROPERTY SCHEDULES

The results of the property inventories of 25 of the 40 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		
<u>North Region Office Schools/Centers</u>								
0341	Arch Creek Elementary	100	\$ 387,924	-	-	-	6	\$ 7,050
0321	Biscayne Elementary ^(a)							
0461	Brentwood Elementary	261	529,076	-	-	-	-	-
1521	Amelia Earhart Elementary	147	325,627	-	-	-	-	-
2081	Fulford Elementary	74	196,975	-	-	-	-	-
2181	Joella C. Good Elementary	126	290,991	-	-	-	-	-
2581	Madie Ives Elementary	141	307,370	-	-	-	-	-
2801	Lake Stevens Elementary	51	176,908	-	-	-	-	-
3701	Norland Elementary	365	586,467	-	-	-	-	-
5131	North Dade Center For Modern Languages Elementary ^(a)							
3981	North Twin Lakes Elementary ^(a)			-	-	-	-	-
4241	Palm Lakes Elementary	160	341,306	-	-	-	-	-
4281	Palm Springs North Elementary ^(a)							
4301	Parkview Elementary ^(a)							
4881	Scott Lake Elementary	154	297,292	-	-	-	-	-
5021	Ben Sheppard Elementary ^(a)							
5091	South Pointe Elementary	41	116,647	-	-	-	-	-
2191	Spanish Lake Elementary	97	425,084	-	-	-	-	-
5601	Twin Lakes Elementary	125	288,269	-	-	-	-	-
5711	Mae M. Walters Elementary	150	264,000	2	\$ 2,641	-	-	-
2371	West Hialeah Gardens Elementary	71	322,174	-	-	-	-	-
0231	Aventura Waterways K-8 Center	504	978,413	-	-	-	-	-

Note:

(a) Property inventory results pending at this time. Results to be reported later in 2014-2015 Fiscal Year (14 schools).

PROPERTY SCHEDULES

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		
0241	Ruth K. Broad/Bay Harbor K-8 Center	151	429,076	-	-	-	-	-
0092	Norman S. Edelcup/Sunny Isles Beach K-8 ^(a)							
0761	Fienberg/Fisher K-8 Center	217	357,885	-	-	-	-	-
5005	David Lawrence Jr. K-8 Center ^(a)							
3281	Miami Lakes K-8 Center	231	654,698	-	-	-	-	-
3581	Myrtle Grove K-8 Center ^(a)							
6161	Lawton Chiles Middle School ^(a)							
6611	Country Club Middle ^(a)							
6751	Hialeah Gardens Middle	188	732,479	-	-	-	-	-
6351	Lake Stevens Middle	288	615,871	-	-	-	-	-
6421/7291	Jose Marti MAST 6-12 Academy ^(a)							
6501	Miami Lakes Middle	320	645,760	-	-	-	-	-
7751	Barbara Goleman Senior ^(a)							
7191	Hialeah Gardens Senior ^(a)							
8151	Robert Renick Educational Center	128	367,630	-	-	-	4	6,323
<u>Alternative Education Center</u>								
8141	Juvenile Justice Center	47	90,761	-	-	-	-	-
<u>Alternative Education Center</u>								
2531	Thena C. Crowder Early Childhood Diagnostic & Special Education Center	66	160,092	-	-	-	3	4,912
<u>Other Center</u>								
8018	Systemwide Business Industry Services ^(b)							
TOTAL		4,203	\$9,888,774	2	\$ 2,641	-	13	\$18,285

- Notes:
- (a) Property inventory results pending at this time. Results to be reported later in 2014-2015 Fiscal Year (14 schools).
 - (b) No property reported for this location--housed within the Office of Adult and Community Education (1 center).

OBJECTIVES, SCOPE AND METHODOLOGY

The objectives of our audits were to:

- express an opinion on the internal fund financial statements of the individual schools/centers for the fiscal year ended June 30, 2013 and/or June 30, 2014, depending on the school/center audited, on the cash basis of accounting;
- evaluate compliance by the schools with the policies and procedures prescribed in the *Manual of Internal Fund Accounting*;
- provide assurances regarding compliance with *current payroll procedures*, as well as compliance with *current purchasing credit card program procedures*; and *certain 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 by the *No Child Left Behind Act of 2001, Title I Program*, and the *Title I Administration Handbook*; and
- ascertain compliance with State law, State Board of Education Rules, School Board Rules, manuals, directives and FTE reporting documentation procedures as they relate to student attendance, Special Education, English Language Learners, Cooperative Education and Teacher Certification.

While the scope of our internal fund audits generally covered operations during the period of July 1, 2012 through June 30, 2013 and/or July 1, 2013 through June 30, 2014 (depending on whether the audit scope was one or two year audit at the individual school/center being audited), payroll, purchasing credit card transactions, and information technology controls included current periods. Title I program covered the 2012-2013 or 2013-2014 fiscal year (depending on the school audited). FTE audits covered the February 2014 survey period (2013-2014 fiscal year, Survey Period 3) for those schools/centers where FTE procedures and records were reviewed.

Our procedures were as follows:

- reviewed written policies, procedures, and School Board Rules;
- interviewed school staff and performed analytical analysis of account balances;
- examined, on a sample basis, transactions, processes, supporting documentation and records;
- performed 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 rules and related policies and procedures that would satisfy our audit objectives. In accordance with GAGAS, we are required to disclose and communicate to management control deficiencies identified during our audits. Other matters found not significant within the context of the audit objectives were communicated orally and/or in writing to management.

BACKGROUND

INTERNAL FUNDS

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

Internal funds are monies collected and expended within a school/center 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/center administers their internal funds separately through an operational checking account, following District guidelines as established in the *Manual of Internal Fund Accounting*.

Prior to spending internal funds, schools/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 at June 30, 2013 and June 30, 2014 was 0.50% and 0.62%, 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' 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/center 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, 2013 and June 30, 2014, the MDCPS-Money Market Pool Fund's interest rate was 0.50% and 0.62%, respectively.

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 site 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 schools 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/centers, principals administer the purchasing credit card program, which must comply with the guidelines established in the *Purchasing Credit Card Program Policies & Procedures Manual*. The P-card program was designed to streamline the acquisition process by enabling employees at the schools/centers 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 schools to make small purchases of less than \$3,000 per individual transaction for materials and supplies*
- *It expedites the procurement process at the schools.*

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 Regional Centers, under the overall direction of Title I Administration Office.

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. These audits are conducted every three years.

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 to verify the data and make corrections as needed. Once this process is completed, the district transmits the information to the FDOE. During the 2013-2014 fiscal year, months selected by the FDOE for these surveys are as follows:

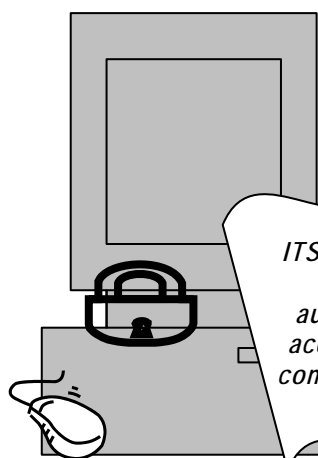
Survey Period No.	Time Period of Survey
1	July (Summer School only)
2	October
3	February
4	June (Summer School only)

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

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

As of the 2007-2008 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.

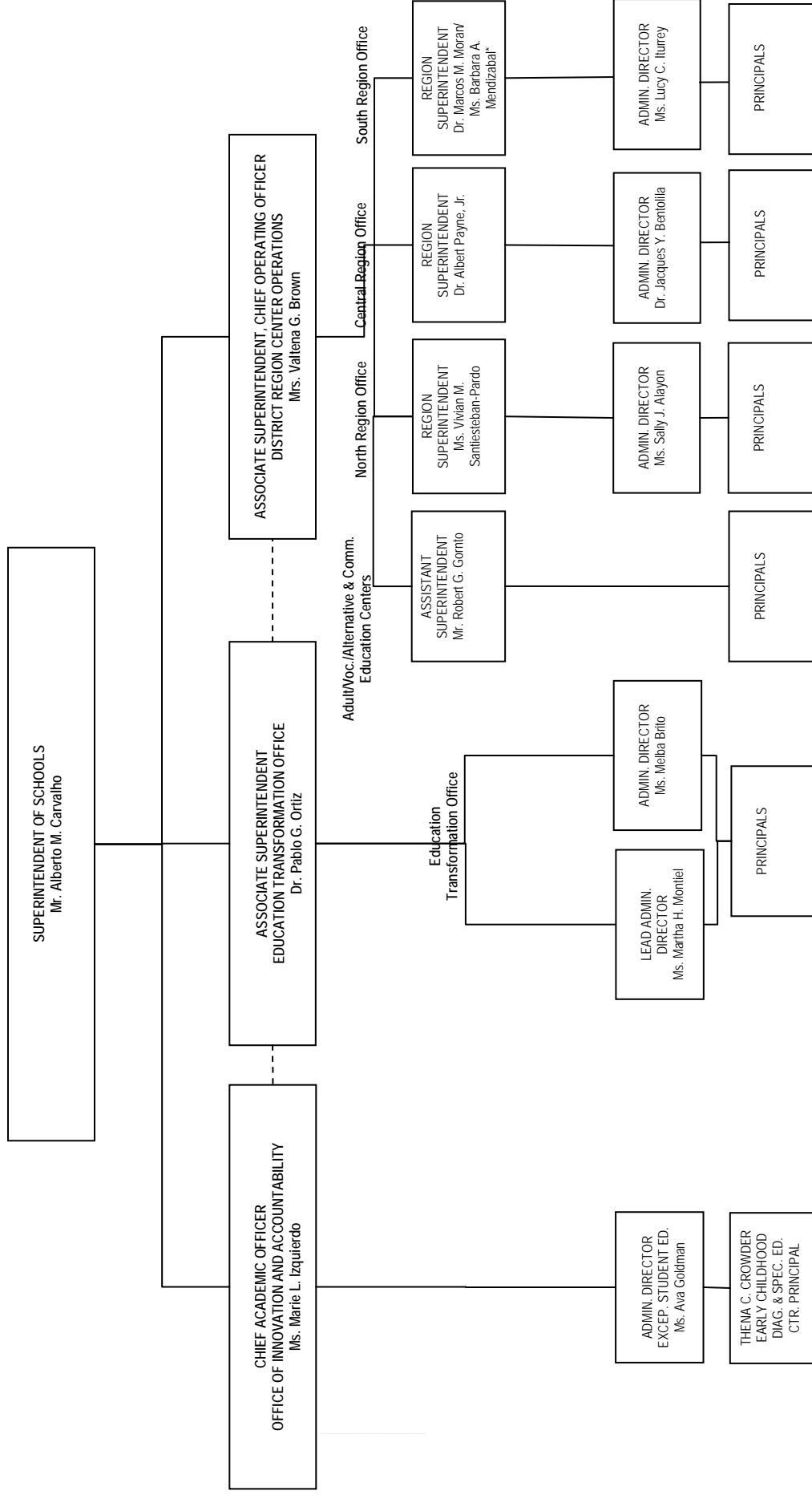
Principals are responsible for ensuring that network security standards and related security procedures are being observed at the school sites. Part of their responsibility includes ensuring that only authorized staff has access to designated applications. Information Technology Services (ITS) produces 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. For selected schools/centers in this report, we reviewed this area to ensure that access to these computer applications was fully compliant with the guidelines.

SYSTEMWIDE BUSINESS AND INDUSTRY SERVICES

In October 1995, Systemwide Business and Industry Services (Systemwide) was established when funds at different locations were transferred to the District for central processing of certain programs. Specifically, this center receives student fees collected at Lindsey Hopkins Technical Education Center, Robert Morgan Educational Center and Miami Lakes Educational Center associated with the General Equivalency Diploma (GED) and the Test of Essential Academic Skills (TEAS).

In previous years, the centers noted above would collect amounts for GED testing fees and remit those fees to Systemwide via internal funds check for processing. Currently, fees for the GED test are paid by students online, and the computer-based testing provider (vendor) remits a check to Systemwide for the aggregate fees. Some of the supplies and expenses associated with these programs at the school sites are paid by Systemwide.

ORGANIZATIONAL CHART (SCHOOLS/CENTERS)



* Succession Management.

Miami-Dade County Public Schools 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.

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, and any other legally prohibited basis. Retaliation for engaging in a protected activity is also prohibited.

MIAMI-DADE COUNTY PUBLIC SCHOOLS



INTERNAL AUDIT REPORT SELECTED SCHOOLS/CENTERS SEPTEMBER 2014

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**Office of Management and Compliance Audits
1450 N. E. 2nd Avenue, Room 415
Miami, Florida 33132
Tel: (305) 995-1318 • Fax: (305) 995-1331
<http://mca.dadeschools.net>**