



Internal Audit Report

◆

Selected Schools



Most Financial Statements Were Fairly Stated; However, At Ten Schools, Controls In Selected Areas Need Improvement.

March 2008

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

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Chief of Staff

Mr. Allen M. Vann, CPA
Chief Auditor
Office of Management and Compliance Audits

Contributors to this Report:

School Audits Performed by:

Ms. Martha Anderson
Mr. Luis Baluja
Ms. Mayte Diaz
Ms. Vivian Ferradaz
Ms. Jeanette Hanna
Ms. Maite Jimenez
Mr. Reginald Lafontant
Ms. Liana Rangel
Ms. Latosha Styles
Ms. Glendys Valls
Ms. Jeannie Vilato

School Audits Reviewed by:

Ms. Germa Garcia, CPA
Ms. Maria T. Gonzalez, CPA
Ms. Teresita M. Rodriguez, CPA
Ms. Latosha Styles
Ms. Tamara Wain, CPA

School Audits Supervised by:

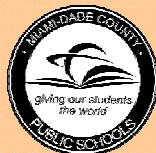
Ms. Maria T. Gonzalez, CPA
Ms. Tamara Wain, CPA

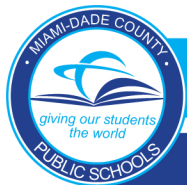
Property Audits Supervised and Performed by:

Mr. Dario Rosendo, Jr., CPA and Property Audits Staff

School Audit Report Prepared by:

Ms. Maria T. Gonzalez, CPA





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March 10, 2008

Members of The School Board of Miami-Dade County, Florida
Members of The School Board Audit Committee
Dr. Rudolph F. Crew, Superintendent of Schools

Ladies and Gentlemen:

This report includes the audit results of 60 schools from various regional centers and the School Improvement Zone. Three of these audits were conducted as a result of a change of principal. This report also includes the audit results of the Dade County Athletic Equalization Fund.

The audit objectives were to express an opinion on the financial statements of the schools, evaluate compliance with District policies and procedures, and ensure that assets are properly safeguarded. The audits included a review of internal funds, property and payroll records at all the schools. On a selected basis, we reviewed credit card purchases, aspects of data security, Title I Program expenditures, and FTE reporting and student records.

Our audits disclosed that the financial statements at most of the schools reported herein were fairly stated. Of the 60 schools, 50 were generally compliant with prescribed policies and procedures and their records were maintained in good order. Also, the Dade County Athletic Equalization Fund was compliant with established procedures. As cited at ten schools, improvements are needed over internal funds, payroll, Purchasing Credit Card Program records and procedures, Title I Program expenditures, property management, and FTE reporting and records. Furthermore, at one of these schools, the discovery of questionable spending practices and circumvention of District policy to pay for faculty retreats was referred to the Inspector General for further review and determination. At most of the schools reported herein, property inventories proved satisfactory results, and any losses were discussed with appropriate management for corrective action.

The audit findings were discussed with school and district administration and their responses are included in this report. Our Schools Audits Division would like to commend as well as recognize the schools' staff and administration for the cooperation and courtesies extended to the audit staff during the performance of these audits.

Sincerely,

Allen M. Vann, CPA
Chief Auditor
Office of Management and Compliance Audits

AMV:mtg

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Mae M. Walters Elementary School

At-a-Glance Audit Results

- ◆ **60 schools and one Fund reviewed**
- ◆ **Three schools audited as a result of change of principal**
- ◆ **50 schools in compliance with prescribed policies**
- ◆ **Ten schools with audit exceptions in internal funds, payroll, property, credit card, Title I, and FTE**

EXECUTIVE SUMMARY

The Office of Management and Compliance Audits has completed the audits of 60 schools from various Regional Centers and the School Improvement Zone. We also completed the audit of the Dade County Athletic Equalization Fund. At Biscayne Elementary, John A. Ferguson Senior, and Miami Northwestern Senior, there was a change of principal since the prior audit. The audit period was for the fiscal year ended June 30, 2007.

Our audits disclosed that records were maintained in good order and in accordance with prescribed policies and procedures at 50 of the 60 schools reported herein. The ten schools with reported audit findings are:

1. Biscayne Elementary
2. John A. Ferguson Senior
3. Comstock Elementary
4. Phyllis R. Miller Elementary
5. Edison Park Elementary
6. Jose de Diego Middle
7. Charles R. Drew Middle
8. Madison Middle
9. Miami Edison Middle
10. Miami Northwestern Senior

At five schools, improvements are needed over selected areas of internal funds, payroll, property management, Purchasing Credit Card Program records and procedures, and Title I Program expenditures; while at six of the schools, our audits also disclosed that procedures over the reporting of FTE and related records need improvement.

At John A. Ferguson Senior High School, certain questionable procurement and spending practices under the former principal's purview revealed that District policy was circumvented in order to pay for faculty-related retreat expenditures. This matter was referred to the Inspector General for further review and determination. Refer to Summary Schedule of Audit Findings on pages 19-22.

Notwithstanding the conditions and findings reported herein, at 59 of the 60 schools, the financial statements present fairly, in all material respects, the changes in fund balances arising from the cash transactions of the schools during the 2006-07 fiscal year, on the cash basis of accounting. At John A. Ferguson Senior High School, with the exception of the account activity in the Trust Fund-Special Purpose account, the financial statement of the internal funds of the school otherwise fairly presents the changes in fund balances arising from cash transactions during the 2006-2007 fiscal year, on the cash basis of accounting.

As of June 30, 2007, total combined receipts and disbursements amounted to \$13,966,423 and \$14,004,379 respectively; while total combined cash and investments amounted to \$5,029,600.

As of June 30, 2007, the internal control structure at 59 of the 60 the schools generally functioned as designed by the District and implemented by the school administration, except for those conditions reported at the individual schools. At John A. Ferguson Senior, as further evidenced by the findings, our assessment of the controls in

At-a-Glance Audit Results

- ◆ **Schools received approximately \$14 million during FY 2006-07**
- ◆ **Total Cash and Investments as of June 30, 2007 amounted to approximately \$5 million**
- ◆ **Internal control structure worked as designed by the District at 59 of the 60 schools with some exceptions**

At-a-Glance Audit Results

- ◆ **3 schools with findings related to internal funds: John A. Ferguson Sr., Charles R. Drew Middle and Miami Northwestern Sr.**
- ◆ **Questionable spending and procurement practices at John A. Ferguson Sr. were reported to the Inspector General for further review and determination**

place to promote compliance with the Manual of Internal Fund Accounting indicated the internal control structure under the former Principal of the school was not functioning as it was generally designed by the District. At the Dade County Athletic Equalization Fund, the internal control structure functioned as required.

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

INTERNAL FUNDS

Of 60 schools, 57 schools and the Fund were in compliance with the procedures established in the Manual of Internal Fund Accounting.

At John A. Ferguson Senior High School, the former principal arranged for faculty retreats in 2006-07 and 2007-08 fiscal years, respectively; however, district procedures were circumvented in order to pay for the related expenses. Also, some of these expenses were inappropriate. The case was referred to the Inspector General for further review and determination.

At Charles R. Drew Middle, equipment donated was mishandled and part of the donated equipment was inappropriately disposed of. This matter has been referred to the Office of Professional Standards for further administrative review and determination. Also, contrary to internal funds guidelines, in-house computer-generated admission tickets were used to control

admissions to various school functions, and other fund-raising procedures were not followed.

At Miami Northwestern Senior, athletic department purchases failed to comply with bidding and other related procedures.

PAYROLL

At 58 of the 60 schools, we found that payroll rosters were adequately supported by Daily Payroll Attendance Sheets and leave cards as prescribed by the Payroll Processing Procedures Manual. Also, proper segregation of duties between the payroll preparation, authorization, and check distribution functions was being observed.

Discrepancies in the recordkeeping of time and attendance, as well as in the preparation of leave cards, and teacher substitutes' payroll records were identified at Miami Northwestern Senior. At Comstock Elementary, discrepancies were centered in the documenting and reporting of time and attendance. Additionally, at both schools, our review of the payroll preparation and check distribution procedures disclosed that employees were not always signing upon receipt of their payroll checks.

PROPERTY

Physical inventories of property items with an individual cost of \$1,000 or more were conducted at all 60 schools in this report. Approximately \$40.6 million was inventoried at these schools.

At-a-Glance Audit Results

- ◆ **At Charles R. Drew Middle, discrepancies due to the mishandling of donated property; fund-raising also showed problems**
- ◆ **At Miami Northwestern Senior, athletic department purchases and payroll non-compliant with procedures**
- ◆ **Payroll problems also noted at Comstock Elementary**

At-a-Glance Audit Results

- ◆ **Physical inventories at 60 schools amounted to approximately \$40.6 million**
- ◆ **Missing property at three schools; largest property losses reported at Miami Northwestern Sr.**
- ◆ **Most Plant Security losses in the area of computer equipment**

Property results indicated that 57 of the 60 schools were in compliance with property procedures and there were “no unlocated” items. At three schools, 32 items with a cost of \$58,772 and a depreciated value of \$14,588 were reported missing. However, of the three schools, Miami Northwestern Senior High School reported the majority of the “unlocated” equipment, and this condition has been cited in the school’s audit report.

Property losses reported through the Plant Security Report process showed 50 items at a cost of \$72,486 and a depreciated value of \$27,714 reported missing at 17 schools. Palm Springs Middle reported the highest number of property losses via Plant Security reports, apparently, as the result of theft that happened while the school was undergoing construction. According to the principal’s response on pages 127-128 of the Appendix, corrective measures to strengthen property management procedures have been implemented.

The majority of losses reported through the Plant Security Report process were in the area of computer equipment. Refer to Property Tables on pages 27-28 for a summary of property results.

PURCHASING CREDIT CARD PROGRAM

We reviewed the Purchasing Credit Card Program's procedures and transactions at the following 20 schools:

- Phyllis Ruth Miller Elementary
- Silver Bluff Elementary
- Kinloch Park Middle
- Ponce de Leon Middle
- Miami Senior
- John A. Ferguson Senior
- Jose de Diego Middle
- Madison Middle
- Miami Northwestern Senior
- Meadowlane Elementary
- Miami Gardens Elementary
- North Twin Lakes Elementary
- Palm Lakes Elementary
- Charles D. Wyche, Jr. Elementary
- Lakes Stevens Middle
- Jose Marti Middle
- Miami Lakes Middle
- Palm Springs Middle
- Hialeah Senior
- Miami Lakes Educational Center

Our audits disclosed general compliance with the Purchasing Credit Card Program Policies & Procedures Manual at 19 of the 20 schools.

At Phyllis Ruth Miller Elementary, credit card records were incomplete. A similar condition was cited in the prior year's audit report; however, the condition remains uncorrected during our audit year.

At-a-Glance Audit Results

- ◆ **Purchasing Credit Card Procedures reviewed at 20 schools**
- ◆ **Schools in general compliance with procedures, except for Phyllis R. Miller Elementary**
- ◆ **Similar condition found at this school in prior year's school audit report**

At-a-Glance Audit Results

- ◆ **Data security reviewed at 26 schools**
- ◆ **School site IT Security Audit Checklist reviewed at John G. Dupuis Elementary, Lake Stevens Middle, and Palm Springs Middle without exception**
- ◆ **Schools in general compliance with data security requirements**

DATA SECURITY MANAGEMENT REPORT AND SCHOOL SITE IT SECURITY AUDIT CHECKLIST

We reviewed the report titled “Authorized Applications for Employees by Locations Report” at 26 schools. Furthermore, at three of these schools, we physically verified the information provided by the schools on the School Site Information Technology (IT) Security Audit Checklist:

- Biscayne Elementary
- Comstock Elementary
- Ada Merritt K-8 Center
- Phyllis Ruth Miller Elementary
- Riverside Elementary
- Lenora B. Smith Elementary
- Southside Elementary
- Kinloch Park Middle
- Ponce de Leon Middle
- Coral Gables Senior
- Miami Senior
- Coral Gables Adult Ed. Center
- John A. Ferguson Senior
- Edison Park Elementary
- Myrtle Grove Elementary
- Jose de Diego Middle
- Madison Middle
- Miami Northwestern Senior
- **John G. Dupuis Elementary***
- Hialeah Gardens Elementary
- **Lakes Stevens Middle***
- Jose Marti Middle
- **Palm Springs Middle***
- Hialeah Senior
- Miami Lakes Educational Center
- Jan Mann Opportunity School

* School-site IT Audit Security Checklist reviewed at these schools (3).

All 26 schools disclosed general compliance with the review of the report, and with the requirements for granting access to system applications. Furthermore, our verification of the *IT Security Audit Checklist* at three schools also disclosed general compliance with IT security practices.

Minor discrepancies found during the IT reviews were corrected during the audit.

TITLE I PROGRAM

A review of Title I Program expenditures and procedures was conducted at four schools:

School	Reg. Center	Title I Program Expenditures
Comstock Elementary	IV	\$ 404,142
Silver Bluff Elementary	IV	176,408
Lenora B. Smith Elementary	IV	370,912
Miami Northwestern Sr.	SIZ	2,502,377
Total		\$ 3,453,839

At these four schools, total expenditures posted to the various Title I program accounts amounted to \$3,453,839. Results disclosed that three of the four schools were generally compliant with the policies and procedures established by the Title I Administration Handbook and the Title I School-Based Budget System Manual. At Miami Northwestern Senior, we found discrepancies in the payroll expenditures and equipment purchases paid with Title I funds. Also, Title I Program account balances were not properly monitored.

At-a-Glance Audit Results

- ◆ Title I Program reviewed at four schools
- ◆ Audits covered almost \$3.5 million in Title I Program expenditures
- ◆ Non-compliant Title I related issues at Miami Northwestern covered payroll expenditures, computer equipment purchases, and unspent budgeted funds

At-a-Glance Audit Results

- ◆ FTE audits conducted at nine schools
- ◆ FTE funding amounted to over \$23 million
- ◆ Six of the nine schools disclosed non-compliance FTE-related issues
- ◆ Based on samples, errors generated total combined funding disallowances of nearly \$170,000

FULL-TIME-EQUIVALENT (FTE) FUNDING

The following nine schools were selected for these audits:

School	Reg. Center	FTE Funding Reported
Biscayne Elementary	II	\$ 1,949,326
John A. Ferguson Senior	V	8,018,906
Edison Park Elementary	SIZ	947,727
Jose de Diego Middle	SIZ	1,858,619
Madison Middle	SIZ	1,569,342
Miami Edison Middle	SIZ	1,283,075
Riverside Elementary	IV	2,215,287
Hialeah Gardens El.	I	2,726,505
Jose Marti Middle	I	2,750,874
Total FTE Funding		\$ 23,319,661

Total FTE funding for the nine schools amounted to \$23.3 million. At the first six schools, we tested the 2006-07 FY, survey period 3; while at the last three schools, we reviewed the 2007-08, survey period 2.

At the first six schools listed above we found various FTE recordkeeping discrepancies. These related to the following areas: Special Education, English Language Learners, and Teacher Certification requirements.

Based on our samples, the discrepancies resulted in a combined funding disallowance to the District of \$93,971; while non-compliance issues that would have generated potential losses in funding to the district amounted to \$75,862.

DADE COUNTY ATHLETIC EQUALIZATION FUND

For the 2006-07 fiscal year, this Fund was properly administered. Accordingly, outstanding loans were paid according to schedule, and loans advanced to schools were compliant with established requirements.

At June 30, 2007, the fund balance amounted to \$11,119, while the unpaid loan balance amounted to \$18,000.

AUDIT OPINION

The following table summarizes total cash receipts and disbursements, and financial position of cash and investments at June 30, 2007 for all 60 schools reported herein. It also provides the audit opinion regarding the schools' financial statements:



Palm Springs Elementary School

At-a-Glance Audit Results

- ◆ **Dade County Athletic Equalization Fund's year-end balance of about \$11,000**
- ◆ **Fund's main purpose: to assist financially distressed athletic programs in senior high schools by providing interest-free loans**
- ◆ **Fund activities in 2006-07 FY compliant with procedures**

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2007**

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
Regional Center II School								
Biscayne El.	\$ 24,841.51	\$ 207,732.76	\$ 201,882.38	\$ 30,691.89	\$ 17,958.40	\$ 12,733.49	\$ -	\$ 30,691.89
Regional Center IV Schools								
Comstock El.	24,538.28	51,153.77	42,724.47	32,967.58	18,768.39	14,199.19	-	32,967.58
Ada Merritt K-8 Center	24,464.09	574,769.87	566,056.63	33,177.33	17,729.81	15,447.52	-	33,177.33
Phyllis R. Miller El.	31,196.93	295,475.05	279,366.96	47,305.02	24,636.63	22,668.39	-	47,305.02
Riverside El.	25,602.76	180,098.55	167,505.68	38,195.63	25,529.16	12,666.47	-	38,195.63
Silver Bluff El.	31,228.00	229,764.07	236,865.99	24,126.08	1,406.98	22,719.10	-	24,126.08
Lenora B. Smith El.	23,229.36	29,402.81	29,611.11	23,021.06	4,924.07	18,096.99	-	23,021.06
Southside El.	19,010.83	184,448.95	182,021.00	21,438.78	9,834.97	11,603.81	-	21,438.78
Kinloch Park Md.	56,742.66	202,860.19	195,769.40	63,833.45	22,533.88	41,299.57	-	63,833.45
Ponce de Leon Md.	60,408.15	111,017.90	111,100.91	60,325.14	33,341.62	26,983.52	-	60,325.14
Coral Gables Sr.	285,351.91	983,220.25	973,713.47	294,858.69	58,670.60	217,832.00	18,356.09	294,858.69
Miami Sr.	200,762.81	640,088.55	649,014.62	191,836.74	7,580.12	184,256.62	-	191,836.74
Coral Gables Adult Ed. Ctr.	408,422.71	94,760.64	76,480.85	426,702.50	46,375.05	380,327.45	-	426,702.50
Regional Center V								
John A. Ferguson Sr.	832,959.90	1,141,297.81	1,208,554.13	765,703.58	17,783.80	747,919.78	-	765,703.58
School Improvement Zone								
Edison Park El.	9,168.28	13,205.84	6,944.02	15,430.10	10,754.66	4,675.44	-	15,430.10
Myrtle Grove El.	12,389.52	26,375.73	26,237.77	12,527.48	5,328.27	3,686.13	3,513.08	12,527.48
Jose de Diego Md.	46,748.15	59,251.48	59,912.04	46,087.59	8,016.16	38,071.43	-	46,087.59

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2007**

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
Charles R. Drew Md.	29,036.34	156,399.26	153,137.54	32,298.06	18,606.50	13,691.56	-	32,298.06
Madison Md.	28,259.53	27,817.91	36,698.19	19,379.25	6,719.49	12,659.76	-	19,379.25
Miami Edison Md.	24,236.11	71,928.59	72,035.14	24,129.56	11,119.41	13,010.15	-	24,129.56
Miami Northwestern Sr.	213,586.88	1,056,934.91	1,078,136.54	192,385.25	29,043.19	163,342.06	-	192,385.25
Regional Center I Schools								
James H. Bright El.	124,793.50	97,713.33	59,953.04	162,553.79	61,175.16	101,378.63	-	162,553.79
Carol City El.	35,222.59	15,958.02	21,000.84	30,179.77	22,454.08	7,725.69	-	30,179.77
John G. Dupuis El.	26,418.34	234,027.21	227,402.14	33,043.41	13,697.43	19,345.98	-	33,043.41
Flamingo El.	17,851.91	61,299.50	59,037.54	20,113.87	5,186.81	14,927.06	-	20,113.87
Joella C. Good El.	95,557.83	61,256.30	138,470.21	18,343.92	2,553.53	15,790.39	-	18,343.92
Ernest R Graham El.	33,725.12	341,487.08	332,457.85	42,754.35	26,018.30	16,736.05	-	42,754.35
Barbara J. Hawkins El.	17,090.24	76,557.55	74,879.46	18,768.33	10,580.95	7,092.36	1,095.02	18,768.33
Hialeah Gardens El.	20,977.61	392,297.11	389,361.61	23,913.11	17,423.73	6,489.38	-	23,913.11
Lake Stevens El.	22,712.15	25,245.80	28,052.38	19,905.57	16,188.29	3,717.28	-	19,905.57
Meadowlane El.	23,706.47	36,752.69	32,093.01	28,366.15	21,387.40	6,978.75	-	28,366.15
Miami Gardens El.	6,593.21	24,620.01	23,930.58	7,282.64	2,534.68	4,747.96	-	7,282.64
Miami Lakes K-8 Ctr.	9,005.45	193,432.33	186,251.98	16,185.80	10,279.94	5,905.86	-	16,185.80
M.A. Milam K-8 Ctr.	17,391.66	232,323.02	220,646.65	29,068.03	19,505.09	9,562.94	-	29,068.03
North County El.	11,558.35	70,687.63	69,631.85	12,614.13	4,898.30	7,715.83	-	12,614.13
No. Dade Ctr. for Mod. Lang.	21,617.66	40,197.13	39,175.35	22,639.44	6,935.04	15,704.40	-	22,639.44
North Glade El.	29,989.88	31,546.22	29,792.80	31,743.30	18,807.58	12,935.72	-	31,743.30

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2007**

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
North Hialeah El.	14,803.93	20,598.23	17,157.21	18,244.95	13,110.29	5,134.66	-	18,244.95
North Twin Lakes El.	17,769.25	161,495.31	155,147.60	24,116.96	19,330.23	4,786.73	-	24,116.96
Palm Lakes El.	22,638.26	59,436.75	64,956.59	17,118.42	2,693.10	14,425.32	-	17,118.42
Palm Springs El.	16,162.26	65,469.03	63,914.05	17,717.24	13,946.53	3,770.71	-	17,717.24
Skyway El.	16,068.82	44,571.38	41,912.42	18,727.78	2,817.96	15,909.82	-	18,727.78
Twin Lakes El.	16,590.94	34,539.95	29,616.06	21,514.83	2,028.41	19,486.42	-	21,514.83
Mae M. Walters El.	19,661.65	23,252.94	24,544.83	18,369.76	7,543.67	10,826.09	-	18,369.76
Charles D. Wyche, Jr. El.	17,276.28	64,216.27	66,743.86	14,748.69	5,909.71	8,838.98	-	14,748.69
Nathan B. Young El.	5,736.78	29,485.32	29,166.78	6,055.32	3,198.21	2,857.11	-	6,055.32
Carol City Md.	26,265.57	76,975.75	72,470.86	30,770.46	20,819.08	9,951.38	-	30,770.46
Lawton Chiles Md.	54,124.87	70,885.41	74,072.31	50,937.97	45,118.99	5,818.98	-	50,937.97
Lake Stevens Md.	26,606.87	74,240.31	68,949.93	31,897.25	10,095.45	21,801.80	-	31,897.25
Jose Marti Md.	59,903.52	160,378.93	178,698.17	41,584.28	3,201.51	38,382.77	-	41,584.28
Miami Lakes Md.	88,286.25	97,939.64	94,447.76	91,778.13	27,333.49	64,444.64	-	91,778.13
North Dade Md.	23,226.03	40,805.20	41,704.08	22,327.15	7,436.80	14,890.35	-	22,327.15
Palm Springs Md.	66,313.57	177,233.13	176,024.81	67,521.89	37,004.96	30,516.93	-	67,521.89
Hialeah Sr.	303,974.21	761,403.65	781,653.69	283,724.17	35,720.29	248,003.88	-	283,724.17
Miami D. MacArthur Sr. North	35,610.93	69,276.36	48,421.52	56,465.77	17,442.92	39,022.85	-	56,465.77
American Adult Ed. Ctr.	276,073.56	1,025,131.12	1,002,354.97	298,849.71	11,551.58	287,298.13	-	298,849.71
Hialeah Adult Ed. Ctr.	115,776.43	260,305.89	260,280.04	115,802.28	32,395.27	63,407.01	20,000.00	115,802.28
Hialeah-Miami Lakes Ed. Ctr.	251,111.81	137,387.04	123,305.05	265,193.80	27,467.24	237,726.56	-	265,193.80

CONDENSED ANNUAL FINANCIAL REPORTS AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2007

Schools	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments	Other	Total Cash and Investments
Miami Lakes Ed. Ctr. (HS)*	208,610.95	335,747.03	390,022.47	154,335.51	20,752.14	133,583.37	-	154,335.51
Miami Lakes Ed. Ctr. (AD)*	447,798.27	1,881,383.82	1,892,125.18	437,056.91	84,175.12	117,881.79	235,000.00	437,056.91
Jan Mann Opp. School	10,768.48	20,859.09	20,782.77	10,844.80	9,044.67	1,800.13	-	10,844.80
Total	\$ 5,067,556.17	\$13,966,423.37	\$14,004,379.14	\$ 5,029,600.40	\$ 1,116,425.09	\$ 3,635,211.12	\$ 277,964.19	\$ 5,029,600.40

* Miami Lakes Ed. Center operates a senior high school (HS) and an adult center (AD) under the same principal. For purposes of this report, this center will be reported together as one school.


Audit Opinion Regarding The Financial Statements And Overall Assessment Of Internal Controls Over Financial Reporting

Notwithstanding the conditions and findings reported herein, at 59 of the 60 schools, the financial statements present fairly, in all material respects, the changes in fund balances arising from the cash transactions of the schools during the 2006-07 fiscal year, on the cash basis of accounting. At John A. Ferguson Senior High School, with the exception of the account activity in the Trust Fund-Special Purpose account, the financial statement of the internal funds of the school otherwise fairly represents the changes in fund balances arising from cash transactions during the 2006-2007 fiscal year, on the cash basis of accounting.

As of June 30, 2007, total combined receipts and disbursements amounted to \$13,966,423 and \$14,004,379 respectively; while total combined cash and investments amounted to \$5,029,600.

As of June 30, 2007, at 59 of the 60 schools, the internal control structure generally functioned as designed by the District and implemented by the school administration, except for those conditions reported at the individual schools. At John A. Ferguson Senior, as further evidenced by the findings, our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated the internal control structure under the former Principal of the school was not functioning as it was generally designed by the District.

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


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

INTERNAL CONTROLS RATING

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

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Regional Center II School							
Biscayne El.		✓			✓		Likely to impact
Regional Center IV Schools							
Elementary Schools							
Comstock El.		✓			✓		Likely to impact
Ada Merritt K-8 Ctr.	✓			✓			Not Likely to impact
Phyllis R. Miller El.		✓			✓		Likely to impact
Riverside El.	✓			✓			Not Likely to impact
Silver Bluff El.	✓			✓			Not Likely to impact
Lenora B. Smith El.	✓			✓			Not Likely to impact
Southside El.	✓			✓			Not Likely to impact
Middle Schools							
Kinloch Park Md.	✓			✓			Not Likely to impact
Ponce de Leon Md.	✓			✓			Not Likely to impact
Senior High Schools							
Coral Gables Sr.	✓			✓			Not Likely to impact
Miami Sr.	✓			✓			Not Likely to impact
Adult Education Center							
Coral Gables Adult Ed. Ctr.	✓			✓			Not Likely to impact

INTERNAL CONTROLS RATING

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<u>Regional Center V School</u>							
John A. Ferguson Sr.			✓			✓	Impacted Results
<u>School Improvement Zone</u>							
Edison Park El.		✓			✓		Likely to impact
Myrtle Grove El.							Not Likely to impact
Jose de Diego Md.		✓			✓		Likely to impact
Charles R. Drew Md.		✓			✓		Likely to impact
Madison Md.		✓			✓		Likely to impact
Miami Edison Md.		✓			✓		Likely to impact
Miami Northwestern Sr.			✓			✓	Impacted Results
<u>Regional Center I Schools</u>							
<u>Elementary Schools</u>							
James H. Bright El.	✓			✓			Not Likely to impact
Carol City El.	✓			✓			Not Likely to impact
John G. Dupuis El.	✓			✓			Not Likely to impact
Flamingo El.	✓			✓			Not Likely to impact
Joella C. Good El.	✓			✓			Not Likely to impact
Ernest R Graham El.	✓			✓			Not Likely to impact
Barbara J. Hawkins El.	✓			✓			Not Likely to impact
Hialeah Gardens El.	✓			✓			Not Likely to impact

INTERNAL CONTROLS RATING

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Lake Stevens El.	✓			✓			Not Likely to impact
Meadowlane El.	✓			✓			Not Likely to impact
Miami Gardens El.	✓			✓			Not Likely to impact
Miami Lakes K-8 Ctr.	✓			✓			Not Likely to impact
M.A. Milam K-8 Ctr.	✓			✓			Not Likely to impact
North County El.	✓			✓			Not Likely to impact
No. Dade Ctr. for Mod. Lang.	✓			✓			Not Likely to impact
North Glade El.	✓			✓			Not Likely to impact
North Hialeah El.	✓			✓			Not Likely to impact
North Twin Lakes El.	✓			✓			Not Likely to impact
Palm Lakes El.	✓			✓			Not Likely to impact
Palm Springs El.	✓			✓			Not Likely to impact
Skyway El.	✓			✓			Not Likely to impact
Twin Lakes El.	✓			✓			Not Likely to impact
Mae M. Walters El.	✓			✓			Not Likely to impact
Charles D. Wyche, Jr. El.	✓			✓			Not Likely to impact
Nathan B. Young El.	✓			✓			Not Likely to impact
Middle Schools							
Carol City Md.	✓			✓			Not Likely to impact
Lawton Chiles Md.	✓			✓			Not Likely to impact

INTERNAL CONTROLS RATING

SCHOOLS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Lake Stevens Md.	✓			✓			Not Likely to impact
Jose Marti Md.	✓			✓			Not Likely to impact
Miami Lakes Md.	✓			✓			Not Likely to impact
North Dade Md.	✓			✓			Not Likely to impact
Palm Springs Md.	✓			✓			Not Likely to impact
Senior High Schools							
Hialeah Sr.	✓			✓			Not Likely to impact
Miami D. MacArthur Sr. North	✓			✓			Not Likely to impact
Adult Education Centers							
American Adult Ed. Ctr.	✓			✓			Not Likely to impact
Hialeah Adult Ed. Ctr.	✓			✓			Not Likely to impact
Hialeah-Miami Lakes Ed. Ctr.	✓			✓			Not Likely to impact
Miami Lakes Ed. Ctr. (HS & AD)*	✓			✓			Not Likely to impact
Alternative Education Center							
Jan Mann Opp. School	✓			✓			Not Likely to impact
Fund							
Dade County Athletic Equalization Fund	✓			✓			Not Likely to impact

* Miami Lakes Ed. Center operates a senior high school (HS) and an adult center (AD) under the same principal. For purposes of this report, this center will be reported together as one school.

SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

The following schedule sums up current and prior audit findings per school:

Work Loc. No.	Schools	CURRENT YEAR AUDIT FINDINGS		PRIOR YEAR AUDIT FINDINGS	
		Total Per School	Area Of Findings	Total Per School	Area Of Findings
<u>Regional Center II School</u>					
0321	Biscayne Elementary	1	▪ FTE-ESE	None	
<u>Regional Center IV Schools</u>					
0881	Comstock Elementary	1	▪ Payroll	None	
3191	Ada Merritt K-8 Center	None		None	
3431	Phyllis R. Miller Elementary	1	▪ P-Credit Card	2	▪ P-Credit Card ▪ Fin. Mgt.
4681	Riverside Elementary	None		None	
5041	Silver Bluff Elementary	None		None	
0081	Lenora B. Smith Elementary	None		None	
5321	Southside Elementary	None		None	
6331	Kinloch Park Middle	None		None	
6741	Ponce de Leon Middle	None		None	
7071	Coral Gables Senior	None		None	
7461	Miami Senior	None		None	
7072	Coral Gables Adult Ed. Center	None		1	▪ Fin. Mgt.
<u>Regional Center V School</u>					
7121	John A. Ferguson Senior	4	▪ Faculty Retreat Expenditures ▪ FTE-ESE ▪ FTE-ELL ▪ FTE-Teacher Cert.	None	

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

Work Loc. No.	Schools	CURRENT YEAR AUDIT FINDINGS		PRIOR YEAR AUDIT FINDINGS	
		Total Per School	Area Of Findings	Total Per School	Area Of Findings
<u>School Improvement Zone Schools</u>					
1601	Edison Park Elementary	2	<ul style="list-style-type: none"> ▪ FTE-ESE ▪ FTE-ELL 	None	
3581	Myrtle Grove Elementary	None			
6361	Jose de Diego Middle	2	<ul style="list-style-type: none"> ▪ FTE-ESE ▪ FTE-ELL 	None	
6141	Charles R. Drew Middle	2	<ul style="list-style-type: none"> ▪ Donated Equipment ▪ Fund-raising Act. 	None	
6391	Madison Middle	2	<ul style="list-style-type: none"> ▪ FTE-ESE ▪ FTE-ELL 	None	
6481	Miami Edison Middle	1	<ul style="list-style-type: none"> ▪ FTE-ESE 	None	
7411	Miami Northwestern Senior	7	<ul style="list-style-type: none"> ▪ Payroll ▪ Payroll Distribution ▪ Title I Payroll Exp. ▪ Title I Eq. Purch. ▪ Title I Budget ▪ Disbursements ▪ Property 	None	
<u>Regional Center I Schools</u>					
0481	James H. Bright Elementary	None		None	
0681	Carol City Elementary	None		None	
1481	John G. Dupuis Elementary	None		None	
1921	Flamingo Elementary	None		None	
2181	Joella C. Good Elementary	None		None	
5051	Ernest R Graham Elementary	None		None	

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

Work Loc. No.	Schools	CURRENT YEAR AUDIT FINDINGS		PRIOR YEAR AUDIT FINDINGS	
		Total Per School	Area Of Findings	Total Per School	Area Of Findings
3781	Barbara J. Hawkins El.	None		None	
2111	Hialeah Gardens Elementary	None		None	
2801	Lake Stevens Elementary	None		None	
3141	Meadowlane Elementary	None		None	
3241	Miami Gardens Elementary	None		None	
3281	Miami Lakes K-8 Center	None		None	
3421	M.A. Milam K-8 Center	None		None	
3821	North County Elementary	None		None	
5131	No. Dade Center for Modern Languages Elementary	None		None	
3861	North Glade Elementary	None		None	
3901	North Hialeah Elementary	None		None	
3981	North Twin Lakes Elementary	None		None	
4241	Palm Lakes Elementary	None		None	
4261	Palm Springs Elementary	None		None	
5081	Skyway Elementary	None		None	
5601	Twin Lakes Elementary	None		None	
5711	Mae M. Walters Elementary	None		None	
5991	Charles D. Wyche, Jr. El.	None		None	
5971	Nathan B. Young Elementary	None		None	

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

Work Loc. No.	Schools	CURRENT YEAR AUDIT FINDINGS		PRIOR YEAR AUDIT FINDINGS	
		Total Per School	Area Of Findings	Total Per School	Area Of Findings
6051	Carol City Middle	None		None	
6161	Lawton Chiles Middle	None		None	
6351	Lakes Stevens Middle	None		None	
6421	Jose Marti Middle	None		None	
6501	Miami Lakes Middle	None		None	
6591	North Dade Middle	None		None	
6681	Palm Springs Middle	None		2	▪ Payroll
7111	Hialeah Senior	None		None	
7254	Miami Douglas MacArthur Senior High North	None		None	
7012	American Adult Education Center	None		None	
7112	Hialeah Adult Education Center	None		None	
7132	Hialeah-Miami Lakes Adult Ed. Center	None		None	
7391/8901	Miami Lakes Educational Center (HS/AD)	None		None	
8101	Jan Mann Opportunity School	None		None	
Fund					
N/A	Dade County Athletic Equalization Fund	None		None	
TOTAL		23		5	

LIST OF PRINCIPALS

Listed below are the current principals of the schools reported herein:

Work Loc. No.	Schools	Current Principal
0321	Biscayne Elementary	Dr. Maria T. Rodriguez *
0881	Comstock Elementary	Ms. Deborah A. Wilson
3191	Ada Merritt K-8 Center	Ms. Carmen M. Garcia
3431	Phyllis Ruth Miller Elementary	Ms. Lora J. Manning
4681	Riverside Elementary	Dr. Sharon M. Lopez
5041	Silver Bluff Elementary	Dr. Brenda B. Dawkins
0081	Lenora B. Smith Elementary	Ms. Wanda R. Heidelberg
5321	Southside Elementary	Mr. Salvatore Schiavone
6331	Kinlock Park Middle	Mr. Scott Weiner
6741	Ponce de Leon Middle	Ms. Anna L. Rodriguez
7071	Coral Gables Senior	Ms. JoAnne Gans
7461	Miami Senior	Dr. Daniel Tosado
7072	Coral Gables Adult Education Center	Dr. Fred D. Pullum
7121	John A. Ferguson Senior	Ms. Jane M. Garraux †
1601	Edison Park Elementary	Ms. Yecenia M. Martinez

* Principal during audit period was Mr. Luis A. Bello.

† Principal during audit period was Dr. Donald A. Hoecherl.

LIST OF PRINCIPALS

Work Loc. No.	Schools	Current Principal
3581	Myrtle Grove Elementary	Dr. Barbara L. Johnson
6361	Jose de Diego Middle	Ms. Concepcion I. Martinez
6141	Charles R. Drew Middle	Dr. Gwendolyn S. Coverson
6391	Madison Middle	Dr. Tonya S. Dillard
6481	Miami Edison Middle	Ms. Richelle T. Lumpkin
7411	Miami Northwestern Senior	Mr. Charles Hankerson[‡]
0481	James H. Bright Elementary	Ms. Maritza M. Garcia
0681	Carol City Elementary	Ms. Patricia L. Bloodworth
1481	John G. Dupuis Elementary	Ms. Angela H. Santos
1921	Flamingo Elementary	Ms. Claudia Hessing
2181	Joella C. Good Elementary	Ms. Lizette G. O' Halloran
5051	Ernest R Graham Elementary	Ms. Mayra Alfaro
3781	Barbara J. Hawkins Elementary	Ms. Evelyn C. Harrison
2111	Hialeah Gardens Elementary	Ms. Ivette Bernal
2801	Lake Stevens Elementary	Ms. Stephanie D. Goree
3141	Meadowlane Elementary	Dr. Kevin P. Hart

[‡] Dr. Dwight A. Bernard was principal at this school up to March 2007.

LIST OF PRINCIPALS

Work Loc. No.	Schools	Current Principal
3241	Miami Gardens Elementary	Ms. Johnnie P. Brown
3281	Miami Lakes K-8 Center	Ms. Rosa L. Calvo
3421	M.A. Milam K-8 Center	Dr. Robert G. Valenzuela
3821	North County Elementary	Dr. Lucille E. Collins
5131	North Dade Center for Modern Languages Elementary	Dr. Maria A. Castaigne
3861	North Glade Elementary	Dr. Thomas W. Frederick
3901	North Hialeah Elementary	Mr. John G. Schoeck
3981	North Twin Lakes Elementary	Ms. A. Louise Harms
4241	Palm Lakes Elementary	Ms. Alina Q. Iglesias
4261	Palm Springs Elementary	Ms. Roxana D. Herrera
5081	Skyway Elementary	Ms. Linda M. Harrison
5601	Twin Lakes Elementary	Ms. Maria I. de León
5711	Mae M. Walters Elementary	Ms. Yolanda L. Valls
5991	Charles D. Wyche, Jr. Elementary	Ms. Dianne W. Jones
5971	Nathan B. Young Elementary	Ms. Apryle L. Kirnes
6051	Carol City Middle	Mr. Nelson Izquierdo
6161	Lawton Chiles Middle	Mr. John Messersmith
6351	Lakes Stevens Middle	Dr. Derick R. McKoy

LIST OF PRINCIPALS

Work Loc. No.	Schools	Current Principal
6421	Jose Marti Middle	Mr. Jose Enriquez, Jr.
6501	Miami Lakes Middle	Mr. Joaquin P. Hernandez
6591	North Dade Middle	Ms. Eunice J. Davis
6681	Palm Springs Middle	Ms. Melissa C. Wolin
7111	Hialeah Senior	Mr. Lorenzo Ladaga
7254	Miami Douglas MacArthur Senior High North	Mr. Marion L. Rogers
7012	American Adult Education Center	Mr. Alan J. Bashaw
7112	Hialeah Adult Education Center	Mr. James E. Bishop
7132	Hialeah-Miami Lakes Adult Ed. Center	Dr. Nilda Diaz
7391/8901	Miami Lakes Educational Center (HS/AD)	Mr. James V. Parker
8101	Jan Mann Opportunity Education	Ms. Deborah A. Carter
N/A	Dade County Athletic Equalization Fund [§]	Dr. Consuelo Dominguez, Administrator Ms. JoAnne Gans, Trustee

[§] Fund housed at Coral Gables Senior.

PROPERTY SCHEDULE

WORK LOCATION NO.	SCHOOLS	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. of Unloc. Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
0321	Biscayne Elementary	193	\$ 361,113	None	-	-	None	-
0881	Comstock Elementary	144	289,474	2	\$ 2,076	\$ 1,522	None	-
3191	Ada Merritt K-8 Center	121	260,851	None	-	-	None	-
3431	Phyllis R. Miller Elementary	237	538,573	None	-	-	None	-
4681	Riverside Elementary	259	701,248	None	-	-	None	-
5041	Silver Bluff Elementary	87	192,651	None	-	-	None	-
0081	Lenora B. Smith Elementary	127	304,437	1	3,505	-	6	\$ 8,463
5321	Southside Elementary	133	275,396	None	-	-	None	-
6331	Kinloch Park Middle	274	597,132	None	-	-	None	-
6741	Ponce de Leon Middle	281	695,310	None	-	-	None	-
7071	Coral Gables Senior	631	1,463,223	None	-	-	None	-
7461	Miami Senior	766	1,631,593	None	-	-	None	-
7072	Coral Gables Adult Ed. Center	64	130,415	None	-	-	None	-
7121	John A. Ferguson Senior	835	2,086,428	None	-	-	None	-
1601	Edison Park Elementary	143	275,332	None	-	-	None	-
3581	Myrtle Grove Elementary	195	361,006	None	-	-	None	-
6361	Jose De Diego Middle	334	813,822	None	-	-	None	-
6141	Charles R. Drew Middle	438	841,820	None	-	-	None	-
6391	Madison Middle	279	686,987	None	-	-	None	-
6481	Miami Edison Middle	236	586,702	None	-	-	None	-
7411	Miami Northwestern Senior	767	2,171,241	29	53,191	13,066	None	-
0481	James H. Bright Elementary	219	460,728	None	-	-	None	-
0681	Carol City Elementary	182	348,217	None	-	-	None	-
1481	John G. Dupuis Elementary	161	338,039	None	-	-	None	-
1921	Flamingo Elementary	415	711,763	None	-	-	None	-
2181	Joella C. Good Elementary	306	575,756	None	-	-	None	-
5051	Ernest R Graham Elementary	105	198,686	None	-	-	None	-
3781	Barbara J. Hawkins Elementary	132	229,565	None	-	-	None	-
2111	Hialeah Gardens Elementary	149	323,092	None	-	-	None	-
2801	Lake Stevens Elementary	72	174,847	None	-	-	None	-
3141	Meadowlane Elementary	260	443,903	None	-	-	None	-
3241	Miami Gardens Elementary	61	126,789	None	-	-	None	-
3281	Miami Lakes K-8 Center	239	447,071	None	-	-	None	-
3421	M.A. Milam K-8 Center	406	691,114	None	-	-	None	-
3821	North County Elementary	96	158,629	None	-	-	None	-
5131	No. Dade Center for Mod. Lang.	37	95,836	None	-	-	None	-
3861	North Glade Elementary	123	254,285	None	-	-	None	-
3901	North Hialeah Elementary	97	215,141	None	-	-	None	-
3981	North Twin Lakes Elementary	104	240,087	None	-	-	None	-
4241	Palm Lakes Elementary	188	379,118	None	-	-	None	-
4261	Palm Springs Elementary	230	431,456	None	-	-	None	-
5081	Skyway Elementary	103	230,575	None	-	-	None	-
5601	Twin Lakes Elementary	128	292,253	None	-	-	None	-
5711	Mae M. Walters Elementary	188	379,118	None	-	-	None	-
5991	Charles D. Wyche, Jr. El.	215	371,790	None	-	-	None	-
5971	Nathan B. Young Elementary	216	332,294	None	-	-	None	-
6051	Carol City Middle	318	712,704	None	-	-	None	-
6161	Lawton Chiles Middle	782	1,176,690	None	-	-	None	-
6351	Lake Stevens Middle	280	510,996	None	-	-	None	-
6421	Jose Marti Middle	533	1,117,712	None	-	-	None	-
6501	Miami Lakes Middle	304	533,569	None	-	-	None	-
6591	North Dade Middle	310	641,698	None	-	-	None	-
6681	Palm Springs Middle	697	1,279,117	None	-	-	None	-
7111	Hialeah Senior	1,312	3,080,430	None	-	-	None	-
7254	Miami D. MacArthur Sr. No.	205	541,655	None	-	-	None	-
7391	Miami Lakes Ed. Center (HS)	406	1,113,053	None	-	-	None	-
8901	Miami Lakes Ed. Center (AD)	1,475	5,090,410	None	-	-	None	-
7012	American Adult Ed. Center	241	390,782	None	-	-	None	-
7112	Hialeah Adult Ed. Center	123	292,976	None	-	-	None	-
7132	Hialeah Miami Lakes Adult	52	128,026	None	-	-	None	-
8101	Jan Mann Opportunity School	135	273,049	None	-	-	None	-
	TOTAL	18,149	\$ 40,597,772	32	\$ 58,772	\$ 14,588	6	\$ 8,463

PLANT SECURITY REPORTS REPORTED BY THE SCHOOLS

Work Location No.	Schools	No. Of Plant Security Reports	Total Items	Total Amount At Cost	CATEGORY (AT COST)			Total Depreciated Value
					Computers	Audio Visual	Other	
REGIONAL CENTER IV SCHOOLS								
6741	Ponce de Leon Middle	1	2	\$ 4,948	\$ 4,948			\$ 630
REGIONAL CENTER I SCHOOLS								
0481	James H. Bright El.	1	1	1,729	1,729			-
0681	Carol City Elementary	1	1	1,195			\$1,195	891
1481	John G. Dupuis El.	1	1	1,295	1,295			-
1921	Flamingo Elementary	1	1	1,064		\$ 1,064		869
3781	Barbara J. Hawkins El.	1	1	1,549		1,549		129
3141	Meadowlane Elementary	1	1	1,249	1,249		-	319
3421	M. A. Milam K-8 Center	1	1	1,049		1,049		309
3861	North Glade Elementary	1	1	1,604		1,604		134
3981	No. Twin Lakes El.	1	9	10,742	10,742			6,895
6051	Carol City Middle	1	1	1,603		1,603		759
6351	Lake Stevens Middle	1	2	2,710	2,710			1,762
6421	Jose Marti Middle	2	2	4,023	4,023			903
6681	Palm Springs Middle ¹	3	14	20,898	20,898			7,549
7111	Hialeah Senior	2	7	7,987	7,987			1,709
7391	Miami Lakes Ed. Ctr.	1	1	1,038	1,038			692
8901	Miami Lakes Ed. Ctr.	3	4	7,803	5,368		2,435	4,164
	TOTAL	23	50	\$ 72,486	\$ 61,987	\$ 6,869	\$ 3,630	\$ 27,714

Notes:

- (1) Loss due to apparent theft while school underwent construction. Administration provided corrective measures to strengthen property management at the school. Refer to pages 127-128 of Appendix regarding response from principal.

Schools with no property reported missing through Plant Security Reports are excluded from this table.

FINDINGS AND RECOMMENDATIONS

INTERNAL FUNDS

1. Inappropriate Spending For Faculty Retreats *JOHN A. FERGUSON SENIOR HIGH SCHOOL*

We reviewed the Special Purpose account activity corresponding to the internal funds of the school for the 2006-07 fiscal year to determine compliance with Section III, Chapter 4 of the Manual of Internal Fund Accounting. Pursuant to the guidelines, school principals have the flexibility to spend revenue from the Special Purpose account, as long as the expenditures benefit the school program and staff while not violating School Board policy. Furthermore, the Manual specifies that sources of revenue posted to this account may include donations from outside sources, provided the accompanying documentation clearly earmarks the funds for this specific account. The former Principal circumvented District policy and engaged in activities to avoid detection of inappropriate spending for two faculty retreats.

Our review disclosed a receipt posted to the Special Purpose account for \$68,110 that was described as a donation. According to the accompanying donation letter, funds were to be used to defray the cost of a school faculty retreat during the summer of 2006. However, our inquiries revealed that this donation and relating supporting documentation were spurious.

The source of the donation consisted of district funds (approximately 20%) and grant funds (approximately 80%) that the school disbursed to a retreat consultant/facilitator (E Wild Entertainment, Inc.) to cover the costs of the retreat. According to this vendor, the former principal wanted to pay for the expenses directly to take advantage of the tax exempt status afforded to the District. Consequently, the vendor was encouraged by the former Principal to return the funds back to the school. The vendor informed us that the former Principal had asked her to provide a “donation” letter, which in effect gave the appearance that an independent donation was being given to the school.** “Donated” funds were then deposited in the school’s Special Purpose Account. By effecting this transaction, the former Principal concealed the source of the funds.

** Staff from Schools of Choice had recommended this vendor to the former Principal to facilitate the retreat; however, the vendor corroborated that, previous to her engagement, the former Principal had already contracted with the hotel, and had handled most of the arrangements. According to Schools of Choice, several MDCPS approved vendors had been recommended to the former Principal.

In the summer of 2006, the school held the retreat at a local hotel (within the county). The total amount spent on this retreat was excessive, over \$70,000, which included approximately \$32,000 for in-county lodging and \$3,700 for alcoholic beverages, expressly unallowable under grant and School Board policy.

The former Principal arranged for another faculty retreat in the summer of 2007. In this case, the former Principal approached the Magnet Educational Choice Association, Inc. (MECA), a support organization of Miami-Dade County Public Schools. He opened an account and deposited District funds of almost \$115,400 to pay for the 2007 retreat's related expenses. According to MECA's policies and procedures, in such instances where funds are deposited in a MECA account, the Principal has the authority to use such funds as needed for program support and enhancement.

The retreat was held at a luxury resort out-of-county. Based on the itemized charges on the hotel invoice received directly from the vendor, alcoholic beverages amounting to approximately \$4,500 were consumed; however, the invoice provided by the school did not detail these unallowable expenditures. Furthermore, the cost of the 2007 retreat increased by nearly \$15,000 when compared to the amount spent on the previous year's retreat.

Our audit also revealed that in both years, the former principal improperly executed contracts with the hotel. Pursuant to School Board Rule 6Gx13- 3F-1.01, he was not vested with the authority to do so on his own.

While professional development activities were conducted during both years, the expenditures were not authorized in accordance with School Board guidelines. The amount spent on these activities was excessive; specifically, in-county lodging and most meal expenditures would not have been approved if processed through the regular district's procurement channels.

Based on these audit findings, and pending resolution of these matters, MECA has not paid the hotel. This case has been referred to the Inspector General for further review and determination. Specific details of these findings follow:

2006-07 FY Retreat

- 1.1. In July 2006, a total of \$73,075 was remitted to a vendor (E Wild Entertainment, Inc.) for providing an in-service seminar to 185 participants during a 2½ day workshop. The retreat was held at a local hotel and included meals and lodging for all participants. Two purchase orders for payment "registration fees" were issued from the school's district accounts:

P.O. Number	Date	Funding Source	Amount
R02310864	7/24/06	Magnet School's Assistance Program (Professional Technical) Grant Funds 0420 5310 7121 3892 6300 Funding Source: United States Dpt. Of Education (USDOE)	\$59,250
R02316654	7/31/06	Dues and Fees-Senior High School Basic Instruction General Fund 0100 5730 7121 6030 5103	13,825
Total			\$73,075

According to the vendor, the former Principal expressed the desire to pay the hotel expenses directly to take advantage of the tax exempt status afforded to the schools. The difference between what was received by the vendor and what was returned to the school represented part of the vendor's commission charged for services rendered. The school paid \$5,733 in "commissions" to the vendor.

- 1.2. Further inquiries revealed that the school administration contracted with the local area hotel, organized the seminar, engaged the presenters (who offered their services free of charge) and handled the registration process at the hotel; while according to the aforementioned vendor, her services were limited to coordinating the hotel rooms, menus, and the parking facilities.
- 1.3. Through our inquiries, we found that administrative staff from M-DCPS' Schools of Choice had recommended this specific vendor to assist the former principal with the planning and the coordinating of the retreat. We also found that this vendor was a former employee of the school system, who in the past had been engaged to handle events for the School District. According to Schools of Choice, several MDCPS approved vendors had been recommended to the former Principal.
- 1.4. We were able to determine that a professional development seminar did take place and faculty staff participated in the related activities during the 2½ day period of August 4th through the 6th.
- 1.5. Retreat-related expenditures were as follows:

Description	Amount
Lodging (174 rooms): \$32,108 less \$1,000 deposit paid by vendor	\$ 31,108
Meals	<u>36,308</u>
Total paid to the hotel by school check	\$ 67,416
Paid to vendor by school check	1,768
Total expenditures recorded in Special Purpose Account	\$ 69,184
Difference between total POs issued to vendor and monies “donated” to the school by the vendor	<u>4,965</u>
Total disbursed by the school for the retreat	\$ 74,149

While meal and lodging are acceptable expenditures as part of professional development activities under grant guidelines, charges incurred for alcoholic beverages consumed during the retreat *are not*. The hotel invoice disclosed charges for beer and meal tips amounting to \$3,705 and \$6,466, respectively, for a total of \$10,171. Furthermore, we are of the opinion that \$32,108 in expenditures for lodging was excessive and inappropriate, as the hotel was located within Miami-Dade County, and would not comport with F.S. 112.061 *Per diem and travel expenses of Public officers, employees and authorized persons*.

- 1.6. The school’s faculty was encouraged to bring guests to the retreat. The school collected almost \$5,100 from the faculty to defray the cost of meals of approximately 130 guests that participated in the retreat. Those monies remained deposited in the internal funds of the school.

2007-08 FY Retreat

- 1.7. A faculty retreat was also conducted during the summer of 2007. The retreat was held from August 10th through the 12th at an out-of-county hotel resort. The retreat was convened by the former principal. The hotel contract was signed by this former Principal without any other higher-level administrator’s approval. Our review of this activity disclosed inappropriate practices.

The former Principal made arrangements for the current principal to open an account with Magnet Educational Choice Association, Inc. (known as MECA), and deposit District funds for this faculty retreat. MECA is a supporting organization of Miami-Dade County Public Schools.

According to MECA’s Policies and Procedures, in such instances where funds are deposited in a MECA account, the Principal has the authority to use such

funds as needed for program support and enhancement.

On June 28th, the school processed the following purchase order addressed to MECA:

P.O. Number	Date	Source	Amount
R02365875	6/28/07	Secondary School Reform General Fund 0100 5310 7121 9569 5103	\$115,391
Total			\$115,391

According to the description, the intent was to pay for the registration of 150 participants to attend a 3-day workshop, and an invoice from MECA for said amount supported the purchase order. MECA received the funds and set up an account for the school. As a result of this transaction, an available funding source outside the District was established, which would allow for the circumventing of normal district procedures and controls over the processing and payment of the related retreat's expenditures.

- 1.8. MECA is administered by School Board staff in the Specialized Programs - Schools of Choice. They confirmed that they did not facilitate the arrangements for the workshop. According to MECA's staff, they normally receive donations from outside sources. Accepting monies from the school would be questionable and in our opinion, outside of their purview. Nevertheless, and similar to the prior year's professional development activity, the school set up the workshop and the related lodging and meals in its entirety. Attending faculty was encouraged to bring guests, as long as they paid for guests' meals. A total of \$8,720 was collected and deposited in the internal funds of the school.
- 1.9. Expenditures incurred were as follows:

Description	Amount
Lodging (143 rooms):	\$54,356
Meals	29,618
Total outstanding payment to the hotel resort:	\$83,974

There were two disparate invoices at hand to support the expenditures: a hotel invoice provided to us by the school and a hotel invoice we received directly from the hotel. A comparison between these two documents disclosed serious discrepancies. Specifically, charges for alcoholic beverages amounting to \$4,503 were not listed on the invoice provided by the school, although total amount invoiced was similar in both instances. Itemized charges also disclosed charges for tips amounting to \$4,936. Ultimately, and pursuant to School Board Rule

6Gx13-3C-1.17, General Fund monies should not have been used toward the purchase of food items. In this case, almost \$30,000 spent on meals, beverages and tips would not have been approved through the regular District's procurement channels.

RECOMMENDATIONS

- 1.1. With regard to the former Principal, currently serving as Director in Regional Center VI, consider the facts and circumstances disclosed by our audit and take appropriate administrative action.**

Responsible Department:

School Operations

Management's Response:

In response to the finding to inappropriate spending for faculty retreats, the District exercised their right to submit the audit report to the appropriate authorities for further investigation and appropriate administrative actions have been upheld. At this time, this matter is under investigation with the Inspector General and further information cannot be disclosed.

- 1.2. Adhere to contract-signing procedures in accordance with School Board Rule 6Gx13- 3F-1.01, to prevent principals from entering into agreements not properly authorized by the School Board.**

Responsible Department:

School Operations

Management's Response:

In order to prevent the recurrence of similar conditions in future audits with regards to adherence to contract signage requirements, a directive to all Regional Centers has been issued imposing a receipt of acknowledgement from all principals of School Board Rule 6Gx13-3F-1.01 [Approval By School Board Attorney] Contracts and Documents with detailed required procedures for entering into agreements; and School Board Rule 6Gx13-3C-1.10 Purchase Approval that requires any purchase in excess of \$25,000.00 to be approved by The School Board of Miami-Dade County.

Responsible Department:

Regional Center V Office

Management's Response:

In order to enforce contract-signing procedures in accordance with School Board Rule 6Gx13-3F-1.01, to prevent principals from entering into agreements not properly authorized by the School Board the following corrective actions and preventative strategies will be implemented by the Regional Center V Superintendent.

The Regional Center V Superintendent has reviewed contract-signing procedures in accordance with School Board Rule 6Gx13-3F-1.01 with all Administrative Directors and School Principals. All Principals and Administrative Directors in Regional Center V have acknowledged written receipt of this School Board Rule detailing required contract-signing procedures and have been advised to submit any contracts for review to the Regional Center V Superintendent prior to submission of the contract for approval to the School Board Attorney. All principals were directed in writing to refrain from signing any contracts without securing approval from both Regional Center and the School Board Attorney's office.

Responsible Person: **Current Principal at John A. Ferguson Senior**

Management's Response:

In order to ensure compliance with contract signing procedures in accordance with School Board Rule 6Gx13- 3F-1.01 [Approval By School Board Attorney] Contracts and Documents, the principal will implement the following preventive strategy:

The principal will submit all contracts for which the School Board is a party to, to the Regional Center V Superintendent and School Board Attorney for drafting or approval as to form and to determine if such contracts meet all relevant and applicable legal requirements.

1.3. Consider modifying the approval chain to include departments responsible for managing grants or other funding sources.

Responsible Department: **School Operations**

Management's Response:

The approval system currently in place specifically delineates amounts of expenditures along with the respective approvers which are hard coded in MSAF. The addition of department-specific approvers is to be considered a collaborative effort between School Operations and Business Operations. An additional tier of approvers specific to the funding source is to be added to ensure compliance with grant specifications. Regional Centers along with school site principals will be directed to include the approvers specified for the funding source. The e-communication will be utilized to inform principals and selected personnel of any revisions to the approval chain for expenditures and their respective departments. In addition, this directive will be delineated in the Regional Centers' Administrative Handbook and in the Opening of Schools' 08/09 Handbook.

Department Responsible: **Business Operations**

Management’s Response:

The current approval chain for requisitions is hard-coded in the MSAF Purchasing System according to dollar threshold as follows: \$5,999 requires site administrator approval, \$6,000 - \$24,999 Assistant Superintendent or Region Superintendent level, and over \$25,000, Cabinet member approval. Business Operations will work in conjunction with School Operations in developing a formal process to add additional approvers to requisitions as required.

1.4. Schools and district offices should not approve purchase orders to send monies to direct-support organizations such as MECA.

Department Responsible: **Business Operations**

Management’s Response:

The vendor number corresponding to MECA has been deactivated in the MSAF Purchasing System at the request of Schools of Choice. This action will not allow any further transactions with this direct-support organization.

Responsible Department: **Schools of Choice**

Management’s Response:

On behalf of the Board of Directors of the Magnet Educational Choice Association, Inc (MECA), Mr. Richard de Aguerro, MECA Executive Director, through a written request to Mr. Joseph A. Gomez, Assistant Superintendent, Procurement Management Services, has asked for MECA’s name to be removed form the “Official Vendors” listing for Miami-Dade County Public Schools. As such, purchase orders to MECA will no longer be possible.

This action, however, will insure that only one direct-support organization, MECA, has been covered as this is the only one within the purview of the Schools of Choice office. This action should probably be initiated for all direct-support organizations, as it is difficult to identify them as such through the existing purchase order structure.

**2. Mishandling Of
Donated Items
CHARLES R. DREW MIDDLE**

Section IV, Chapter 14 of the Manual of Internal Fund Accounting and School Board rule 6Gx13-3B-1.111 establish the guidelines over donations. According to the guidelines, donations received by schools consisting of equipment and/or property with a value of \$15,000 or more require that the corresponding Regional Center be notified and a formal agenda item be presented to the School Board for approval and acceptance of such donations.

Charles R. Drew Middle is a participant in “Justice for Schools”, a program offered by the Department of Justice. As a participant, the school is eligible to receive educationally useful federal equipment from this Department.

Based on correspondence from the Department of Justice received by the school some time in 2007, the school was the intended recipient of 30 used laptops, 30 used desktops and related computer accessories. Our inventory verification procedures disclosed the following discrepancies:

- 2.1. The school’s Technology Coordinator informed us that the donated equipment was stored at a private residence. He said this was due to a lack of space at the school, and also to facilitate assessing the equipment’s condition. According to the Principal, the Coordinator had ignored her repeated requests to have the computers delivered to the school. The Principal also informed us that she was unaware that the donated equipment included 30 laptops until we informed her of these facts.
- 2.2. At our request, the Coordinator delivered to the school 29 central processing unit (CPU) towers and related computer accessories. Regarding the laptops, the Coordinator claims he disposed of them upon delivery, since they were mostly damaged beyond repair and/or unserviceable.
- 2.3. According to the donor, the market value of the equipment was \$21,000. Contrary to the Coordinator’s prior statement, the individual market value of the laptops was assessed at \$500 each, while the desktops’ individual value was quoted at \$200 each.
- 2.4. Upon review of the equipment delivered to the school, we verified that one of the machines had been previously tagged as MDCPS property. It appears that the Coordinator attempted to pass this equipment as one of those delivered to conceal the fact that one was also missing.

This matter was referred to the Miami Dade County Schools Police and subsequently to the State Attorney's Office. The case was discharged by the court. At the present time, this matter has been referred to the Office of Professional Standards for further administrative review and determination.

RECOMMENDATIONS

- 2.1. Inform the Regional Center of all donated items with a value of \$15,000 or more and strengthen controls over the receipt of donated property.**
- 2.2. Instruct staff on the proper procedures for receiving and disposal of equipment.**

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

Management Response:

We concur with these recommendations. The principal will request the donor to provide the school the fair market value per item prior to accepting any donations. All equipment that is a donation or a gift with a value of \$15,000 or more will be routed to the School Improvement Zone and the Regional Center to present to the School Board as an agenda item seeking Board acceptance.

Upon receipt of donated goods, the principal will physically verify and ensure that it is safe-guarded at the school.

All equipment with a donation or gift value of \$1,000 or greater will be reported to Property Accounting. The Incoming Controlled Equipment Form (FM-1669) will be used for reporting and entry into the District's Property Master File at fair market value.

The steps listed above will be utilized to assist administrators and selected staff in receiving donated equipment. The administrators and selected personnel will review and utilize the Outgoing Controlled Equipment Form (FM-1670) for the disposal of donated equipment.

3. Inadequate Controls Over Fund-Raising Activities
CHARLES R. DREW MIDDLE

Section II, Chapter 2 of the Manual of Internal Fund Accounting establishes that official pre-printed tickets purchased by the school must be used to control admissions to school events, and prohibits the use of in-house, computer-generated admission tickets. Furthermore, Section IV, Chapter 2 establishes the fund-raising guidelines to follow, while Section IV, Chapter 9 relates to sales tax issues. Our review of selected fund-raising activities revealed the following:

- 3.1. There was a \$1,736 shortfall in the revenues generated from two candy fund-raisers. Candy collections amounted close to \$5,900. According to fund-raising documents provided, 516 candy bars were stolen, while the remaining difference was attributed to students who failed to pay for candies they received. The school provided copies of letters sent to parents and students to demonstrate their attempts to collect. In addition, \$450 in sales tax from candy purchased for resale was not paid to the vendor or to the Florida Department of Revenue.
- 3.2. In-house computer-generated admission tickets were used to control admissions to the 8th Grade Spring Ball Gala and the 8th Grade Graduation Ceremony. Consequently, we were unable to verify the accuracy of monies collected since we could not independently verify the number of admission tickets produced and sold. Monies collected from these activities amounted to approximately \$6,000.
- 3.3. The invoice from the banquet hall disclosed that 150 meals had been paid for; however, according to the operating report, only 101 tickets to the Gala were sold. The unsold meals represented a cost to the school of approximately \$1,600.
- 3.4. The related fund-raising documentation disclosed some errors and omissions. Specifically, Student Activity Operating Reports and Certificates of Loss were not always signed, while the approval for one of the candy fund-raisers involving the community was not provided.

RECOMMENDATIONS

- 3.1. **Discuss with staff the proper fund raising procedures and ensure that taxes are paid to the vendor or the Florida Department of Revenue when applicable.**
- 3.2. **Plan future gala activities accordingly to ensure that the number of meals to be purchased is commensurate with student demand.**

3.3. Refrain from using tickets produced in-house and only use pre-printed numbered tickets obtained from a vendor.

Person(s) Responsible: Principal, Assistant Principal, Club Sponsors, Team Leaders, Treasurer

Management Response:

We concur with this recommendation. The principal directed the team leader and the treasurer to utilize pre-numbered tickets to ensure that the number of meals purchased commensurate with student demand.

The principal also directed the sponsors and the treasurer to utilize pre-numbered tickets from an authorized vendor.

The principal directed the treasurer to review procedures outlined in Section IV, Chapter 9 of the Manual of Internal Fund Accounting, and report all Sales Tax items before fundraisers are approved directly to the vendor. The principal will ensure that all appropriate taxes are paid upon reviewing Operating Reports.

In order to avoid future audit exceptions, the principal will meet with the treasurer periodically to review activities and ensure guidelines set forth in Section IV, Chapter 6 of the Manual of Internal Fund Accounting are adhered to. The principal will also ensure that the treasurer uses a vendor who will charge sales tax on the invoice.

**4. Bidding And Other Procedures Not Followed
For Athletic Department Purchases
Of A Questionable Nature
MIAMI NORTHWESTERN SENIOR**

Section II, Chapters 4 and 5 of the Manual of Internal Fund Accounting establish the procedures for making disbursements. According to Chapter 4, purchases between \$1,000 and less than \$5,000 require at least three documented telephone quotes; while purchases between \$5,000 and less than \$25,000 must be documented with at least three written quotes. The Manual also requires that the distribution of complimentary items (gifts) be documented on signed lists.

Section IV, Chapter 14 of the Manual requires that schools receiving monetary donations for a designated purpose spend the funds as intended, unless the donor approves the change of the use of funds in writing. Additionally, School Board Rule 6Gx13-3C-1.18 requires that prior Board approval be obtained when items awarded to staff/students exceed \$40. Our review of sampled disbursements disclosed the following:

- 4.1. The school purchased 106 state championship jackets in 2006-07 costing \$15,251; however, two instead of three written quotations were obtained; and only one was legible. Additionally, the school purchased 40 fleece jackets and 150 nylon jackets costing \$5,277, and written quotations were not obtained. Regarding both expenditures, the corresponding complimentary signed lists documenting distribution of these items were not provided. Proceeds from the sale of football tickets were used to cover the purchase of jackets.
- 4.2. Using donations earmarked for the football department and football program, 15 jogging suits costing \$300 each were purchased and distributed to the former football coaching staff. This purchase corresponded to the 2007-08 fiscal year.

The related individual cost of all the items mentioned above far exceeded \$40; however, Board approval was not obtained in any of these instances. Additionally, required sales tax amounting to \$1,844 was not paid for this merchandise.

RECOMMENDATIONS

- 4.1. **Ensure that bidding procedures are being observed.**
- 4.2. **Prior to authorizing payment with donated funds, ensure that expenditures comply with the intent of the donation.**
- 4.3. **When donated funds are used for purposes other than those initially intended, obtain prior written approval from the donor for the change.**

4.4. Follow disbursement procedures and requirements, including cost limitations on merchandise awarded to staff and students and payment of sales tax as applicable.

Person(s) Responsible: Principal, Vice-Principal, Business Manager, Athletic Business Manager, Treasurer, Athletic Director

Management Response:

We concur with these recommendations. The principal has established an Athletic Committee consisting of the Business Manager, Athletic Director, Athletic Business Manager, Activities Director, and Treasurer to meet on a monthly basis to review all donations received and requests for major purchases to ensure compliance with District policies. The principal has reviewed with this committee the sections of the Manual of Internal Fund Accounting pertaining to donations and purchases from the Internal Fund accounts.

The principal directed the Athletic Committee to adhere to all established procedures. The Vice Principal was assigned to meet with the committee to review documentation and give initial approval for purchases. All requests to purchase awards for students will be reviewed by this committee and final approval will be given by the principal.

The principal will ensure that all bid requirements as stipulated in Section II, Chapter 4 of the Manual of Internal Fund Accounting are followed when making Internal Fund purchases. Before signing checks, the principal will ensure that any required bids are included.

The principal will ensure that expenditures comply with the intent of the donation prior to authorizing payment with donated funds. When donated funds are used for purposes other than those initially intended, prior written approval for the change will be obtained from the donor.

School Board procedures and requirements, including cost limitations on merchandise awarded to staff and students, will be followed when disbursing awards and gifts. Prior school board approval will be obtained for award items when unit cost or value exceeds the maximum allowable amount.

The Treasurer was directed to pay all sales taxes in accordance with procedures outlined in Section IV of the Manual of Internal Fund Accounting. Additionally, the Treasurer was also directed to document and retain the distribution of complimentary items (gifts) on the Complimentary Items–Recipient(s) List (FM-6679) as required.

PAYROLL

5. Inadequate Recordkeeping And Reporting Of Payroll Lead To Errors *MIAMI NORTHWESTERN SENIOR*

Chapters 1 through 5 of the Payroll Processing Procedures Manual establish the procedures to document, process and approve payroll, and distribute the payroll checks and notices to employees.

A review of three sampled pay periods approved by the current principal during May and September 2007 disclosed payroll discrepancies as follows:

- 5.1. In all three pay periods reviewed, the cafeteria manager recorded the attendance on the Daily Payroll Attendance Sheets on behalf of the cafeteria staff. Additionally, we found two other instances where supervisors of hourly employees were similarly documenting the attendance on behalf of those employees being supervised.
- 5.2. We found 63 discrepancies in the hourly-paid and daily-paid payroll. Of the 63, 29 corrections were processed after we brought the errors to the school's attention. According to the school administration, no other corrections were needed, since the remaining discrepancies were from employees that failed to properly record their time and attendance for days and hours worked.
- 5.3. In 26 instances, leave cards were not prepared.
- 5.4. In 24 instances, a substitute teacher was requested; however, the teacher being substituted for was reported present. According to the school, in most of these instances, teachers were assigned to work on various site projects or attend special events; however, these activities were not documented and the teachers were not reported on temporary duty, as required.

RECOMMENDATION

5. **Staff should follow established payroll processing procedures relative to recording, reporting, documenting, reviewing, and approving time and attendance.**

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

Management Response:

We concur with this recommendation. The principal met with the Payroll Clerk and Business Manager to review the audit findings. In order to avoid future audit exceptions, the principal reviewed and discussed Chapters 1 through 5 of the Payroll Processing Procedures Manual pertaining to procedures to document, process and approve the payroll, and the distribution of payroll checks and notices to employees.

The principal directed in writing that all daily-paid personnel must indicate their presence on the payroll sheets individually and all hourly personnel must sign time in/out on the Daily Payroll Attendance Sheet. No employee is allowed to document the time and attendance on behalf of another employee.

The payroll clerk was directed to complete leave cards to document absences of all full time employees and to write the type of leave on the Daily Payroll Attendance Sheets. The Principal established a system for the payroll clerk to carefully review the Daily Payroll Attendance Sheets, the working roster and leave cards prior to the final approval. The Business Manager will provide additional support in the reviewing and reconciliation of the Payroll Attendance Sheets, leave cards and the working roster.

The Principal reviewed the proper procedures for reporting leave and temporary duty as well as the required utilization of the Temporary Instructors Daily Payroll Attendance Sheet/Pool and Emergency Substitutes Form (FM-7090).

The principal will cross-reference the sign-in sheets with the leave cards to ensure that all required information has been completed and the temporary instructor assigned for personnel was a result of a request to utilize sick, personal or professional leave.

**6. Inaccurate Reporting, Documenting,
And Distribution Of Payroll
COMSTOCK ELEMENTARY**

Chapters 1 and 2 of the Payroll Processing Procedures Manual establish the procedures for properly documenting and processing the payroll, and for distributing the payroll checks. Our review of three pay periods processed during the current fiscal year disclosed the following discrepancies:

- 6.1. In 21 instances, employees did not properly indicate their presence on the Daily Payroll Attendance Sheets; however, were reported either days or hours worked. According to the school administration, these employees worked during the days and hours in question.
- 6.2. In two instances, hourly paid employees were underpaid a total of 12 hours. In one other instance, records disclosed that a full-time employee worked for ten days; however, the employee had not been paid for those days. Payroll corrections were made at our request.
- 6.3. In 12 instances, leave cards were incomplete or not provided.
- 6.4. In the pay periods reviewed, we found that two employees had not signed on the Payroll Checks/Advices Control Report to indicate receipt of their paychecks. We verified that the checks had been distributed to these employees.

RECOMMENDATION

- 6.1. **Ensure that both staff and administration carefully review payroll records prior to its approval to ensure its accuracy and prevent the reporting of payroll errors and inconsistencies with supporting documentation.**
- 6.2. **Adhere to the payroll distribution process to ensure that all employees receiving actual payroll checks sign upon receipt.**

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

Management Response:

In order to prevent the recurrence of similar conditions in future audits with respect to payroll procedures, the principal will implement the following corrective actions and preventive strategies in order to ensure accurate monitoring and processing of payroll records and streamline the efficiency of payroll processing.

The principal has reviewed with all persons responsible the Payroll Processing Procedures Manual focusing on the procedures to document payroll records and processing and approving the payroll. A system was established to provide for the careful review of the Daily Payroll Attendance Sheet by both the payroll clerk and the principal or designee. This will ensure that all employees sign in/out on a daily basis and proper notations are made when employees are out of the building.

The principal met with her designee and payroll clerk to review payroll reporting procedures. The principal's designee was instructed to oversee the payroll preparation and reporting process. The principal's designee along with the payroll clerk will review the working rosters, leave cards and Daily Payroll Attendance Sheet to verify accuracy of all payroll documents. The principal will review all payroll records prior to the printing of the final roster and the approval of the payroll on a bi-weekly basis.

The principal met with the payroll distributor and the alternate to review the payroll distribution process with emphasis on employees who receive actual payroll checks to sign receipt on the printed Payroll Checks/Advices Control Report. The principal will conduct a monthly review of the process that has been established to monitor the signatures of the identified employees.

**7. Payroll Distribution Process
Inadequately Monitored And
Conducted
*MIAMI NORTHWESTERN SENIOR***

According to Chapter 5 of the Payroll Processing Procedures Manual, employees receiving payroll checks must sign (full signature) on the Payroll Check Recap next to their name as verification of receipt. Our review revealed the following:

- 7.1. Approximately 60 employees in each pay period receive payroll checks. In the three pay periods reviewed between May and September 2007, there were 27 instances where employee signatures were not obtained. Additionally, in the same three pay periods, a cafeteria employee collected and signed for 20 payroll checks on behalf of other cafeteria workers. While we verified that the employees received all payroll checks in question this is a clear departure from established internal controls.

We discussed these conditions with the current administration for immediate corrective action. During our observation of the distribution of payroll checks, no other discrepancies related to the distribution of checks came to our attention.

RECOMMENDATIONS

- 7.1. **Staff should follow established procedures for check distribution.**
- 7.2. **Monitor the payroll distribution process to ensure its efficacy and ascertain that employees sign for their own payroll checks.**

Person(s) Responsible: Principal, Principal's Designee, Payroll Clerk, Check Distributor

Management Response:

We concur with these recommendations. In order to ensure that the established procedures for check distribution and the monitoring of the payroll distribution process are followed, the principal has implemented the following corrective actions and preventative strategies:

A meeting was held with the Check Distributor on September 6, 2007 to review procedures outlined in Chapter 5 of the Payroll Processing Procedures manual relative to distribution of payroll checks. The payroll check distributor was directed to require all employees receiving an actual payroll check to sign the "Payroll Checks/Advices Control Report" next to their name as verification of having received their check. Under no case should one employee be allowed to sign the name of another employee and to receive their check.

E-mail communication and a memorandum were sent on September 6, 2007 to all faculty and staff informing them of the proper procedures for the distribution of payroll checks.

An Assistant Principal was assigned to review the "Payroll Checks/Advices Control Report" at the end of each pay day to verify that it is properly signed by employees receiving checks and to notify the principal of any discrepancies for corrective action.

PROPERTY

8. Ineffective Controls Over Property Inventory Lead To Unnecessary Loss Of Equipment *MIAMI NORTHWESTERN SENIOR*

The Manual of Property Control Procedures establishes the guidelines for recording and managing property. According to Section 4 and pursuant to Chapter 10.400 of the Auditor General, State of Florida, an inventory of all property shall be taken once every fiscal year. Items on record which cannot be found will be listed as “unlocated” and reported accordingly.

8.1. Our property audit revealed that 29 items with a depreciated value of \$13,066 but costing \$53,191 were reported as “unlocated”.

RECOMMENDATION

8. Ensure that the school properly monitors property.

Person(s) Responsible: Principal, Assistant Principal, Business Manager

Management Response:

We concur with the recommendation. In order to ensure that property control procedures result in the proper location, control and safeguarding of all physical property, the principal implemented the following corrective actions and preventive strategies:

The Principal reviewed and discussed the procedures for properly processing outgoing controlled equipment as outlined in Section III of the Property Control Policies & Procedures Manual with the Assistant Principals and Business Manager.

An assistant principal was assigned to develop a database of the school’s inventory of property delineating the physical location of all items. The principal directed the Business Manager to conduct property audits on a quarterly basis and immediately report any discrepancies to the principal. Any missing property will be investigated for immediate corrective action.

In a meeting with the Assistant Principals and the Business Manager, the principal directed that any property being removed from the school site must be documented on the Approval of Off-Campus Use of School Board Property Form (FM-2380). The principal will conduct a general faculty meeting to review the required procedures for reporting missing property, relocating property and taking equipment off campus.

PURCHASING CREDIT CARD

9. Authorization for Credit Card Purchases Not Properly Documented and Some Invoices Not Provided *PHYLLIS R. MILLER ELEMENTARY*

The Purchasing Credit Card Policies & Procedures Manual establishes the policies and guidelines over purchases made using a District credit card. According to the guidelines, all purchases must be properly documented with the original receipt/invoice, and previously approved with a Purchasing Credit Card Card Purchase Authorization Form [FM-5707] signed by the Work Location Administrator.

Our review of four credit card statements between June and September 2007 disclosed the following:

- 9.1. Purchase authorization forms for 17 credit card purchases amounting to \$2,464 were not provided. Also, one purchase authorization form amounting to \$791 was not signed by the principal or designee.
- 9.2. Invoices were not provided to document five purchases amounting to \$307. The corresponding vendors were contacted at our request, and three of the five invoices were obtained.

A similar condition regarding missing documentation from the credit card records such as: invoices and authorization forms was cited in the prior year's audit report; however, the condition remains uncorrected during our subject year.

RECOMMENDATIONS

- 9.1. Monitor credit card activities at the school to ensure compliance with District policy.

Department Responsible: **Regional Superintendent, Regional Center IV
Administrative Director, Regional Center IV
Principal**

Management Response: In order to prevent the recurrence of similar conditions in future audits with regards to credit card procedures, the Regional Center will implement and provide the following corrective and preventive measures and support to ensure compliance with District policy:

The Regional Center Superintendent and Business Director reviewed with the principal of the school the credit card procedures as outlined in the Purchasing Credit Card Program Policies & Procedures Manual. Additionally, an action plan was identified to

be implemented at the school site by the principal, the designee and the secretary/treasurer. The plan included a monthly review of the credit card reconciliation by the Regional Center IV Administrative Director prior to being submitted to the department of Cost and Business Services for processing.

9.2. Enforce credit card procedures and maintain appropriate documentation for credit card purchases.

Persons responsible: Principal, Assistant Principal, Treasurer

Management Response: The principal met with the school treasurer and assistant principal to review the audit findings and develop strategies to monitor established corrective actions as related to Section V of the Purchasing Credit Card Program Policies and Procedures Manual and the Manual of Internal Fund Accounting.

The assistant principal will review the daily financial activity with the treasurer to ensure that the records are accurate, properly documented, and transactions are processed timely. Corrections will be made and discussed as needed with the principal. The principal, on a random basis will also review selected financial records to ensure accurate documentation. Any discrepancies noted will be corrected immediately.

The principal has reviewed with the appropriate staff District procedures for documenting and processing credit card purchases as outlined in the Purchasing Credit Card Program Policies and Procedures Manual. A system has been established for proper credit card purchasing which entails the principal and/or the assistant principal carefully reviewing the Purchase Credit Card Program Purchase Authorization Form (FM-5707) for approval prior to providing a manual signature for the execution of any credit card transactions and conducting an itemized review of original invoices prior to disbursement of funds. The principal will direct the treasurer to obtain fax confirmation from the vendor as a record of transaction. The principal will not sign approval on the Purchasing Credit Card Program Purchase Authorization form unless the purchase meets all guidelines outlined in the Purchasing Credit Card Program Policies and Procedures Manual. All packing slips, receipts or invoices will be attached to the Purchasing Credit Card Purchase Authorization form with signature of receipt by the individual receiving the goods or responsible administrator and will be provided to the principal prior to payment.

9.3. School administration and staff involved with credit card purchases should enroll in a refresher purchasing credit card training offered by the District.

Persons responsible: Principal, Assistant Principal, Treasurer

Management Response: The principal, assistant principal and the treasurer will enroll in upcoming refresher credit card training offered by the District. Additionally, the principal will participate in the District's Money Matter Support Program, monthly.

School administrators and the appropriate school site employees have been directed to attend refresher training activities related to Credit Card Purchases. Information for registering for participation in aforementioned training was provided to the appropriate staff members and receipt of acknowledgement has been secured by the principal. Technical training opportunities will also be provided for the appropriate school site employees through the Office of the Comptroller as they become available.

TITLE I PROGRAM PAYROLL EXPENDITURES

10. Title I Program Payroll Expenditures - Improperly Documented or Questionable MIAMI NORTHWESTERN SENIOR

According to general Title I Program guidelines, grant funds must be used to *supplement* the existing instructional program at a school, and not to *supplant* funding sources previously established for the existing program. Furthermore, salary expenditures must directly relate to activities associated with the grant. Regarding payroll expenditures, and pursuant to the requirements of The Office of Management and Budget's (OMB) Circular A-87 *Cost Principles for State, Local and Indian Tribal Governments*, where employees are expected to work on a single federal award or cost objective, charges for their salaries and wages must be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification.

As part of our review of payroll expenditures incurred with Title I Program funds, we reviewed the Payroll Certification Report corresponding to the period between February 23rd and March 22nd, 2007. From that report, we tested employees paid with Title I grant funds. Our review disclosed the following:

- 10.1. The school did not maintain individual schedules of assignments that specifically identified the work performed by each of the employees paid under Title I programs. According to the school administration, the work performed consisted of tutoring and related activities. Although the school provided documentation generated from these activities, we were unable to identify the work performed by each individual employee.
- 10.2. Title I payrolls processed after the March 2007 payroll certification disclosed a total of seven custodians and one security monitor that were inappropriately paid using Title I funds. Salaries and fringe benefits paid to these employees amounted to nearly \$24,000.

RECOMMENDATIONS

- 10.1. Maintain work schedules documenting tasks performed by staff charged to the Title I programs.**
- 10.2. Ensure that proper funding sources are used to cover payroll expenditures.**
- 10.3. Review payrolls charges for the Fiscal Year and reverse charges not allowed under Title I guidelines.**

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

Management Response:

We concur with these recommendations. The principal has reviewed the proper procedure for hiring employees under Title I Programs to ensure that the payroll expenditures for Title I personnel are charged to the correct account and funding structures. The principal has met with the Business Manager to review the Circular A-87, Payroll Certification Report to ensure that only authorized personnel are hired and paid under Title I programs.

The Principal will continue to meet with the Assistant Principal, Business Manager, and Payroll Clerk monthly to review the FR05-08, Financial Status Report, to ensure that adequate funds are available to support the personnel hired under Title I accounts. The principal will request assistance from the School Improvement Zone Business and Personnel Administrative Director when appropriate.

The principal has established and reviewed procedures with the Assistant Principals, Business Manager, and the Payroll Clerk regarding who should be hired under Title I Programs. All hires will be approved by the principal or his designee with the proper funding structure readily available for review.

The Principal has established procedures and reviewed them with the Assistant Principals to ensure that proper work schedules documenting tasks performed by staff charged to Title I programs and supporting documentation are maintained. The principal will review these work schedules on a periodic basis to ensure that they are accurately maintained.

The principal met with the Business Manager to review the personnel hiring transactions and payroll records in order to ensure that all part-time custodians and security monitors are paid under the designated program structures.

The principal reviewed with the Business Manager the current year Title I payroll transactions to ensure that charges are proper and no reversal of payroll charges are required.

TITLE I PROGRAM EQUIPMENT

11. Computers Not Being Fully Utilized And Equipment Not Properly Identified MIAMI NORTHWESTERN SENIOR

Section B of the Title I Administration Handbook provides specific guidelines regarding authorized and unauthorized purchases made with Title I funds. According to general guidelines, purchases made with Title I funds must be for purposes of supplementing existing instructional programs at the schools. General guidelines also require the proper identification and tagging of assets (for property control purposes) that are purchased with Title I Program funds.

A review of Title I purchases made during the 2006-07 fiscal year, during the former principal's tenure, disclosed the following:

- 11.1. The school purchased 150 laptops and 20 desktop computers with Title I grant funds. Contrary to Title I rules, ten laptops and six desktops were used for administrative/office work rather than in student classrooms. This equipment was re-assigned at our request.
- 11.2. During our visit we verified that, of the 150 laptops and 20 desktop computers received in March 2007, 34 laptops and 10 desktop computers remained stored in their original boxes in closets. Our visit took place over six months after the computers had been delivered to the school.
- 11.3. None of the equipment had been identified as being purchased with Title I funds. Title I labels were affixed at our request.

RECOMMENDATION

11. **In the future, staff should limit the use of Title I funds to only those purchases necessary to fulfill the program's needs and tag all applicable equipment with Title I Program labels.**

Person(s) Responsible: Principal, Business Manager, Assistant Principal, Computer Technician

Management Response:

We concur with this recommendation. The Principal will ensure that all equipment purchased with Title I funds is tagged with the proper Title I labels before delivery to different areas of the school. The Principal met with the Assistant Principals, Business Manager, and Computer Technicians to ensure compliance with the guidelines for the use of equipment purchased with Title I funding, as outlined in the Title I Administrative Handbook.

The school has ordered portable security laptop cabinets to transport to the classrooms the laptops that are not being utilized by the students. Additionally, the idle desktop computers have been utilized in existing programs for students and parents.

The principal, with the Assistant Principals, will develop a plan of action to ensure that all equipment purchased is necessary to fulfill programs needs.

TITLE I PROGRAM BUDGET

12. Ineffective Monitoring Of Account Balances Lead To The Under-Utilization Of Title I Non-Salary Funds *MIAMI NORTHWESTERN SENIOR*

Title I program funds not spent by year-end are lost as they cannot be re-budgeted the following year. While funds should not be spent unnecessarily as identified in Section 4 above, good budget planning and continuous monitoring of account balances are essential to ensure that precious funding resources are used to their maximum intended purpose.

During the 2006-07 fiscal year, the school was budgeted a total of \$444,867 under two specific Title I programs for the procurement of goods and services. Goods and services allowed under Title I program guidelines included: school supplies, field trips, travel, and computer equipment and peripherals, among others. However, at June 30, almost \$88,000 (19.8%) of the total amount budgeted remained unspent and unable to be rolled over for next year's activities.

RECOMMENDATION

12. School Administration should develop appropriate spending plans for Title I program funds in order to maximize their use.

Person(s) Responsible: Principal, Assistant Principals, Business Manager, Leadership Team, Purchasing Clerk, Activities Director

Management Response:

We concur with this recommendation. In the current year, upon receipt of allocated Title I funds, the principal conducted a needs assessment with the faculty and administrative team to determine a priority list of purchases that will support the instructional initiatives of this school.

Additionally, an assistant principal was assigned the responsibility of monitoring all Title I accounts on a monthly basis to ensure that all funds are expended by the established deadlines.

FULL-TIME EQUIVALENT FINDINGS

Discrepancies In Special Education Student Records Resulted In FTE Funding Disallowances At:

13. ***BISCAYNE ELEMENTARY***
14. ***JOHN A. FERGUSON SENIOR***
15. ***EDISON PARK ELEMENTARY***
16. ***JOSE DE DIEGO MIDDLE***
17. ***MADISON MIDDLE***
18. ***MIAMI EDISON MIDDLE***

Special Education (SPED) Records

Section D of the Local Education Agency (LEA) Implementation Guide requires that all current SPED forms be filed in the students' cumulative folders. It also requires that the Individual Education Plan (IEP) committee members sign the IEPs [FM-4953] upon completion. Furthermore, the Matrix of Services Handbook 2004 Revised Edition issued by the Florida Department of Education establishes the guidelines and procedures to initiate and update a matrix.

The Matrix of Services form [FM-5582] is used to determine the cost factor for special education students based on the decisions made by the IEP Committee. According to the guidelines, if services do not change as a result of an IEP meeting and the matrix is less than three years old, the existing matrix may be reviewed. If services change, a new matrix must be completed.

Gifted Student Records

The District uses a Gifted Student Educational Plan (EP) form [FM-6329] for Gifted students, and follows all requirements for the development, contents, and review of EPs described in the General Section and Rule 6A-6.030191, Florida Administrative Code (FAC). According to the Policies and Procedures for the Provision of Specially Designed Instruction and Related Services for Exceptional Students, the EP must be reviewed at least once every two years, at transition periods, and whenever conference participants determine a need for review. Similar to IEPs, the EP committee members must sign the EPs upon completion.

FY 2006-07, SURVEY PERIOD 3

- 13. BISCAYNE ELEMENTARY** -- A review of a sample of 19 special education (SPED) folders revealed the following five discrepancies in five student folders (26%):
- 13.1. For one student, the Matrix of Services form [FM-5582] had not been reviewed at the interim conference date. This resulted in a potential loss of \$5,434 for survey period 3.
- 13.2. In four other instances, the Matrix of Services form was incomplete or did not agree to the corresponding IEP [FM-4953]. These errors did not generate a potential loss in funding because the level of funding remained unchanged for these students.

RECOMMENDATION

- 13. Ensure that all SPED folders contain the Matrix of Services form which has been reviewed and updated. The Special Education staff should review the students' cumulative folders and determine that current forms such as IEPs, Matrix of Services, are accurate and filed immediately after the information is entered into Integrated Student Information System (ISIS) to reduce the probability of being out of compliance and the consequential funding disallowances that may result from these documentation errors/omissions.**

School/Department Responsible: Biscayne Elementary School

Person(s) Responsible: Principal, Assistant Principal(s), Registrar, Program Specialist, SPED Department Chairperson, and SPED Teachers

Management Response: In order to ensure that the cumulative folders for all SPED students are properly maintained and that the Matrix of Services forms are completed in compliance with guidelines established by the Florida Department of Education, the principal implemented the following corrective actions and preventive strategies with regard to the maintenance of SPED records. The principal reviewed with the assistant principal and the SPED teachers the SPED Standards Record Review form [FM-7069] which denotes all the procedures and monitoring items mandated by the Division of Special Education. The administration reviewed the Matrix of Services Handbook 2004 Revised Edition with the SPED teachers and requested training from District SPED personnel to ensure understanding and compliances with all aspects of the Matrix of Services form (FM-5582) document. The principal directed the assistant principal to coordinate a review of the cumulative records of all current SPED students focusing on the correlation between the Matrix of Services and the IEP. Any discrepancies found

between the Matrix forms and the IEPs will be immediately corrected. The assistant principal and the SPED department chairperson will work with SPED teachers to ensure that the cumulative records of all SPED students are in compliance using the SPED Standards Record Review checklist.

The preventive monitoring strategies will include monthly meetings with the SPED teachers and conducting reviews of the SPED folders. The SPED Standards Record Review form will be utilized to review the student folders three times per year. When the Local Education Agency (LEA) representative signs the updated Individualized Education Plan (IEP), he/she will also review the corresponding Matrix of Services form to ensure proper review and updating.

Additionally, the principal directed the registrar to review all incoming and outgoing cumulative student records, particularly those not completed on WISE, for accuracy and proper documentation in accordance with School Board Rule 6Gx13-5B-1.07-Student Records to ensure that the IEP and the Matrix of Services both match what appears in ISIS. All incoming SPED cumulative records will then be forwarded to the assistant principal for final review.

After review of the cumulative records by both the registrar and assistant principal, the assistant principal will provide written notification of any missing or non-compliant records to the principal. The principal will make every attempt to locate the missing files and ensure that all non-compliant records have been brought to specification.

FY 2006-07, SURVEY PERIOD 3

14. JOHN A. FERGUSON SENIOR HIGH SCHOOL -- A review sample of 40 special education (SPED) which included 26 Gifted folders revealed the following discrepancies in 11 folders (28%):

14.1. In two instances, gifted students were incorrectly funded on FTE Line # 255. Customarily, gifted student placement is funded on FTE Line # 113.

An amendment to the Department of Education Correction System (DECO) would have been required for both students for surveys 2 and 3 in the amount of \$33,136 to realign the funding with the services. However, the school was able to submit corrections for survey 3 only (\$16,568) since the deadline to process a DECO amendment for survey 2 had already expired. These were the only students funded on line #255 (ESE Support Level 5) for survey period 3 and two of three students in survey period 2.

14.2. In two instances, the General Education teacher had not signed the Gifted Educational Plan (EP) [FM-6329] and a General Education Teacher Statement [FM-6865] was not provided.

14.3. In two instances, the IEP and EP had expired prior to the February FTE survey week and another meeting was not convened.

14.4. In two instances, the student was 14 years or older at the time of the IEP conference and was not invited to attend the conference.

14.5. In two instances, the Matrix of Services form [FM-5582] was not properly completed.

14.6. In one instance, the Program Eligibility on the IEP and the corresponding Area of Eligibility on the Matrix of Services did not agree.

Pursuant to our calculations, the findings stated above generated a potential loss of \$10,659 in FTE funding.

RECOMMENDATION

14. To reduce the probability of potential losses in funding and other non-compliance issues regarding Exceptional Student Education records, the Matrix of Services form must be completed following each initial IEP meeting or reviewed after each annual and/or interim IEP meeting. Also, IEPs and EPs must be properly signed and filed with the student's records.

Students 14 years or older should be invited to the IEP conference through the Notification of Meeting [FM-4851]. Staff should review the students' cumulative folders and determine that current forms such as IEPs, EPs, Matrix of Services, etc., are accurate and filed immediately after the information is entered into the Integrated Student Information System (ISIS).

Responsible Person(s): Principal, Assistant Principal, Program Specialist, SPED Chairperson, SPED Instructors, Gifted Coordinator, Gifted Instructors, Registrar, School Clerk II

Management's Response:

In order to ensure that the Special Education programs (funding and recordkeeping) are properly maintained and that the matrix of services forms are completed in compliance with guidelines established by the Florida Department of Education, the principal will implement the following corrective actions and preventive strategies with regard to the maintenance of student SPED records.

The principal has reviewed with all person(s) responsible for the Full Time Equivalent (FTE), the funding guidelines for SPED students, including gifted programs. The principal, assistant principal and registrar will attend the FTE workshop paying special attention to the section regarding gifted funding. The gifted students will be identified, and the assistant principal, gifted coordinator and registrar will review the FTE line number for each student to ensure compliance.

The principal has directed the registrar to review all incoming cumulative folders for accuracy and proper documentation in accordance with School Board Rule 6Gx13-5B-1.07 Student Educational Records. Additionally, the principal will direct the SPED program specialist and gifted coordinator to assign case loads to identified teachers. Case load numbers are dependent on the number of teachers and students. The case load teachers are directed to review each cumulative folder and Individual Educational Plan (IEP)/Education Plan (EP) for compliance using a checklist developed at the school site. The checklist includes signature lines for general education teachers, IEP/EP expiration dates, and any students 14 years or older invited to conferences. Using the designated checklist, the SPED/gifted teachers will also review the IEP/EP following each initial, annual, or interim IEP/EP meeting.

After reviewing the cumulative folders, the teachers are directed to notify either the gifted coordinator or program specialist of any missing or non-compliant records. The principal and assistant principal will secure all missing documents and correct all non-compliant documents as appropriate.

The principal has also directed the assistant principal and SPED program specialist to review the Matrix of Services Handbook, 2004 Revised Edition, as well as all SPED teachers to ensure compliance with all aspects of the Matrix of Services Form (5582). The assistant principal and program specialist will work together using the SPED Standards Records Review form (7069) to ensure compliance. The assistant principal will inform the principal immediately in writing of any missing or non-compliant record information that requires further action.

FY 2006-07, SURVEY PERIOD 3

15. EDISON PARK ELEMENTARY--A review of a sample of 20 special education (SPED) folders revealed the following 16 discrepancies in 13 student folders (65%):

- 15.1. Three students were categorized to receive \$15,041 in funding for the 2006-07 school year; however, according to the Matrix of Services form [FM-5582] corresponding to the Individual Education Plan (IEP) [FM-4953] in effect for the October and February FTE surveys, the students were only eligible to receive funding in the amount of \$4,028. An amendment to the Department of Education Correction System (DECO) for all three students was required for both surveys 2 and 3 in the amount of \$11,013 each to realign the funding with the services. We calculated a total loss of \$33,039 for these three students.
- 15.2. One student was categorized to receive \$20,951 in funding for the 2006-07 school year; however, according to the Matrix of Services form [FM-5582] corresponding to the IEP [FM-4953] in effect for the October and February FTE surveys, the student was eligible to receive funding in the amount of \$4,169. An amendment to DECO was required for both surveys 2 and 3 in the amount of \$16,782 to realign the funding with the services.

Regarding these two findings, the school failed to submit the DECO amendments to the FTE office on time, prior to the amendment's expiration deadline for survey period 3. At the time of our audit, the deadline for survey period 2 had already expired. Consequently, the District was unable to process downward adjustments in funding amounting to \$49,821.

- 15.3. For five students, the Matrix of Services forms had not been reviewed or updated at the time of the corresponding IEP conference.
- 15.4. For three students, the Matrix of Services form was not properly completed.
- 15.5. For three students, the IEPs Program Eligibility section did not agree with the areas of eligibility section on the Matrix of Services form.
- 15.6. For one student, the school was unable to provide a Matrix of Services form corresponding to the IEP in effect for the February FTE survey.

Pursuant to our calculations, the findings stated above generated a potential loss of \$21,885 in FTE funding to the school.

RECOMMENDATIONS

15.1. Ensure that SPED folders contain IEPs and Matrix of Services forms which have been properly reviewed and updated. The Special Education staff should review the students' cumulative folders and determine that current forms such as IEPs and Matrix of Services forms are accurate and filed immediately after the information is entered into the Integrated Student Information System (ISIS). This coordinated effort should reduce the probability of being out of compliance and the consequential funding disallowances that may result from documentation errors/omissions.

15.2. Submit DECO amendments on time.

Person(s) Responsible: Principal, Assistant Principal, SPED Chairperson, and Elementary School Assistant

Management Response:

We concur with these recommendations. The principal has taken immediate corrective actions which include meeting with the Assistant Principal, SPED Chairperson, Elementary School Assistant, and the SPED teachers to review the audit findings. The Principal reviewed the SPED Standards Record Review form (FM-7069) which denotes all the procedures and items to be monitored as mandated by the Division of Special Education.

The Principal has assigned a new SPED chairperson who has been provided the appropriate training by the SPED Supervisors for School Improvement Zone and Regional Center. The SPED Chairperson and the Assistant Principal will ensure that the SPED folders contain IEP's and Matrix of Services forms that will be updated and reviewed by the SPED department in a systematic manner. This will include monthly meetings as well as school-level reviews of the SPED folders. The SPED Chairperson will work closely with the Elementary School Assistant to ensure that all pertinent information is entered into the Integrated Student Information System (ISIS) immediately after the paperwork is completed.

The Principal has created a form which will be used by the Elementary School Assistant at the time of registration for testing and documentation purposes. The Elementary School Assistant will submit current SPED information regarding new students to the SPED Chairperson, and the Administrative Team. The Principal has changed the job responsibilities of assigned personnel to provide additional time to review the IEP's and Matrix of Services forms to ensure compliance with the information in ISIS.

The Principal will work closely with the Elementary School Assistant to ensure that any required DECO amendments are completed in a timely manner.

FY 2006-07, SURVEY PERIOD 3

- 16. JOSE DE DIEGO MIDDLE--** A review of a sample of 21 special education (SPED) folders revealed the following 11 discrepancies in nine student folders (43%):
- 16.1. In eight instances, the Matrix of Services form [FM-5582] corresponding to the Individual Education Plan (IEP) [FM-4953] in effect for the February FTE survey was not reviewed or a new one was not completed. In two of these instances, the students were funded at Matrix Level 4. As a result of the discrepancies, their corresponding funding levels would have been downward adjusted to Basic with ESE services, for a potential funding loss to the school of \$11,013.
 - 16.2. Three IEPs [FM-4953] were not properly completed. Specifically, we found that either the conference date did not agree to the IEP date, the program eligibility was not indicated, or the parent contact date was the same as the IEP's conference date.

RECOMMENDATION

- 16. Ensure that all SPED folders contain the Matrix of Services form which has been reviewed and updated. The Special Education staff should review the students' cumulative folders and determine that current forms such as IEPs and Matrix of Services are accurate and filed immediately after the information is entered into the Integrated Student Information System (ISIS). This coordinated effort should reduce the probability of being out of compliance and the consequential funding disallowances that may result from these documentation errors/omissions.**

Person(s) Responsible: Principal, Assistant Principal, SPED Program Specialist, SPED Department Chair, SPED Teachers, Registrar

Management Response:

We concur with this recommendation. On February 19, 2008, the principal implemented immediate corrective actions by meeting with the Assistant Principal, SPED Program Specialist, SPED Department Chair, and Registrar to review the SPED Standards Record Review form (FM-7069), which outlines the procedures and items to be monitored as mandated by the Division of Special Education. The administration will review the SPED Standards Record Review form and the Matrix of Services Handbook 2004 Revised Edition with the SPED teachers to ensure understanding and compliance with all aspects of the Matrix of Services document.

The principal has directed the registrar to review all incoming student cumulative records for accuracy and proper documentation in accordance with School Board Rule 6Gx13-5B-1.07, Student Records. All incoming SPED student cumulative records will be immediately forwarded to the SPED Program Specialist for further review and to ensure that the information in the PF17 screen agrees with the IEP and Matrix. The SPED Program Specialist will notify the principal, in writing, of any missing or non-compliant records. The SPED Program Specialist will obtain any missing documents and correct, as appropriate, any non-compliant documents.

Preventive monitoring strategies will include monthly meetings with the SPED teachers and conducting internal reviews of the SPED folders. The SPED Standards Record Review form will be used to review the student folders in September, January, and May. The SPED Program Specialist, serving as the Local Education Agency (LEA), will sign the updated Individualized Education Plan (IEP) and will review the corresponding Matrix of Services form to ensure its accuracy.

FY 2006-07, SURVEY PERIOD 3

17. MADISON MIDDLE

Special Education (SPED) Records

A review of a sample of 12 special education (SPED) folders revealed the following discrepancies in six student folders (50%):

- 17.1. In three instances, the Matrix of Services form corresponding to the IEP in effect for the February FTE survey was not reviewed or a new one was not completed. In three other instances, Matrix of Services forms were not prepared in a timely manner.
- 17.2. One IEP form had only one of the required three signatures.

Pursuant to our calculations, the finding stated above generated a potential loss of \$5,507 in FTE funding to the school.

Gifted Student Records

A review of a sample of four Gifted folders revealed the following discrepancies in two student folders (50%):

- 17.3. The EP form corresponding to one student was not available for review. In another instance, the EP form had three professional signatures; however, one person signed twice. In this particular case, the EP requires a General Education teacher's signature different from that of the Teacher of the Gifted. Since funding levels were not affected, no potential losses were generated from these findings.

RECOMMENDATION

17. **The Matrix of Services form must be completed following each initial IEP meeting or reviewed after each annual and/or interim IEP meeting. Also, IEPs and EPs must be properly signed and filed with the student's records. Staff should review the students' cumulative folders and determine that current forms such as IEPs, EPs, Matrix of Services, etc., are accurate and filed immediately after the information is entered into the Integrated Student Information System (ISIS). This coordinated effort should reduce the probability of being out of compliance and prevent funding disallowances.**

Person(s) Responsible: Principal, Assistant Principal(s), SPED Program Specialist, SPED Department Chairperson, SPED Teachers, Registrar

Management Response:

In order to ensure that the cumulative folders for all SPED and Gifted students are properly maintained and that Matrix of Services forms are completed in compliance with guidelines established by the Florida Department of Education, the principal implemented corrective actions and preventive strategies. The principal has requested training for appropriate staff from the Office of Exceptional Student Education. The principal will initiate and conduct school-level reviews three times per year (September, January and May) utilizing the SPED Standards Record Review (FM-7069) form. In addition, at every Individual Education Plan (IEP) Review, Education Plan (EP) Review and Initial Staffing for SPED or Gifted Students, the SPED Chairperson will also complete the SPED Standards Record Review Form to ensure accuracy and submit to the principal or designee for review.

As part of the articulation process, the SPED Program Specialist will also review the cumulative records of all incoming students utilizing the SPED Standards Record Review Form and follow up with the sending school to address any discrepancies or issues of non-compliance.

Upon completion of an IEP, EP, or Staffing, a review and/or update of the Matrix of Services form will be conducted by the Assistant Principal in charge of the SPED program to ensure that all information is accurately entered into ISIS. The SPED Program or Staffing Specialist will complete the SPED services Data Input Sheet (FM-6487) immediately following all meetings and the SPED Program Specialist will input information in ISIS and print the corresponding ISIS screen(s) immediately following each meeting. The Data Input Sheet along with a copy of the corresponding ISIS screen will be maintained in a SPED Data Input Log Book.

FY 2006-07, SURVEY PERIOD 3

- 18. MIAMI EDISON MIDDLE** -- A review of a sample of 15 special education (SPED) folders revealed the following discrepancies in three student folders (20%):
- 18.1. One student was categorized to receive \$15,042 in funding for the 2006-07 school year; however, according to the Matrix of Services form [FM-5582] corresponding to the Individual Education Plan (IEP) [form FM-4953] in effect for the October and February FTE surveys, the student was only eligible to receive funding in the amount of \$4,028. An amendment to the Department of Education Correction System (DECO) was required for surveys 2 and 3 in the amount of \$11,014 to realign the funding with the services. However, at the time of our audit, the deadline for DECO amendments corresponding to survey periods 2 and 3 had already expired and this adjustment could not be processed.
 - 18.2. One student's IEP was not signed by the required three professionals and the corresponding Matrix of Services form was not reviewed. In addition, the IEP did not indicate the related services of Occupational (OT) and Physical Therapy (PT). Pursuant to our potential loss calculations, these errors generated a potential loss of \$5,507 in FTE funding to the school.
 - 18.3. One student's Program Eligibility section on the IEP did not agree with the areas of eligibility section on the Matrix of Services form. This error did not generate a potential loss in funding because the level of funding remained unchanged for this particular student.

RECOMMENDATION

- 18. Ensure that all SPED folders contain IEPs and Matrix of Services forms which have been properly completed, reviewed and updated. The Special Education staff should review the student's cumulative folders and determine that current forms such as IEPs and Matrix of Services forms are accurate and filed immediately after the information is entered into the Integrated Student Information System (ISIS). This coordinated effort should reduce the probability of being out of compliance and the consequential funding disallowances that may result from these documentation errors/omissions.**

Person(s) Responsible: Principal, Assistant Principal, SPED Chair and SPED teachers

Management Response:

We concur with this recommendation. The immediate corrective actions taken by the principal include conducting a meeting with the Assistant Principal responsible for Exceptional Student Education program along with the SPED department chairperson to review the SPED Standards Record Review (FM-7069) form, which outlines all the

procedures and items to be monitored as mandated by the Division of Special Education.

The Assistant Principal for SPED and SPED Department Chairperson will ensure that all SPED folders contain current, completed, and reviewed IEPs and Matrix of Services forms. Additionally, the administration will review the Matrix of Services Handbook 2004 Revised Edition with the SPED teachers to ensure understanding and compliance with all aspects of the Matrix of Services document.

The Assistant Principal will also ensure that a site-based mini review is conducted at the completion of each interim IEP. This will include a review of the students' cumulative folders in order to make any necessary corrections, modifications, or maintenance of IEPs and Matrix of Services forms, as well as verifying that the information is accurate and filed immediately after entry into the Integrated Student Information System. Any necessary DECO amendments will be processed in a timely manner.

**Faulty Recordkeeping And Documentation
Over English Language Learners'
(ELL) Student Records Could
Lead To FTE Funding
Disallowances At:**

- 19. JOHN A. FERGUSON SENIOR**
- 20. EDISON PARK ELEMENTARY**
- 21. JOSE DE DIEGO MIDDLE**
- 22. MADISON MIDDLE**

For the 2006-07 school year, guidelines and procedures for maintaining ELL student information were provided through the Division of Bilingual Education and World Languages memoranda, the District LEP Plan and Procedures Manual 2005.

According to the guidelines, parents must be notified each school year of their child's participation or any programmatic change in the ESOL program, no later than 30 days after the beginning of the school year. Copies of the Notice to Parents/Guardians of Limited English Proficient (LEP) Students [FM-6576] and [FM-6577] and Home Language Surveys [FM-5196] must also be properly completed and are to be filed in the ESOL Program Record folder. In addition, all sections of the Individual ELL/LEP Student Plan [FM-4649] and [FM-4650] must be appropriately initiated and/or updated in a timely manner and maintained in the student cumulative folder. For students attending secondary school, there should also be a copy of the student's current schedule for each year of participation in the program.

The cumulative folder is the tool used by the school district personnel to maintain documents containing personal information for students.

FY 2006-07, SURVEY PERIOD 3

- 19. JOHN A. FERGUSON SENIOR** -- A review sample of 21 student cumulative folders disclosed the following discrepancies in 17 student folders (81%):
- 19.1. Seven Notice to Parents/Guardians of Limited English Proficient (LEP) Students letters were either missing or incomplete.
 - 19.2. Five Individual ELL/LEP Student Plans were not properly completed. The Program participation date was either incorrect, incomplete or a date was not indicated.
 - 19.3. Three Home Language Surveys forms were not properly completed.
 - 19.4. In four instances, the LEP Committee did not convene for students that were in the ESOL program six or more semesters.
 - 19.5. For four students, the required student schedule for the 2006-07 school year was not on file.

Pursuant to our calculations, the findings stated above generated a potential loss of \$4,180 in FTE funding to the school.

RECOMMENDATION

- 19. To reduce the probability of potential losses in funding and other-noncompliance issues regarding ESOL criteria, ESOL staff and administration should review ESOL Program Record Folders to make certain that the information is accurate and that all pertinent forms are properly completed and filed in the folders immediately after the information is entered into ISIS.**

Responsible Person(s): **Principal, Assistant Principal, ELL Department Chairperson, ELL Instructors, Registrar, School Clerk II**

Management Response: In order to ensure that ELL Program record folders are properly maintained in compliance with guidelines established by the Florida Department of Education, the principal will implement the following corrective actions and preventive strategies with regard to the maintenance of ELL Program record folders.

The principal has reviewed with all person(s) responsible all related documentation provided by the Division of Bilingual Education, World Languages and the District LEP

Plan and Procedures Manual 2005. The principal will request training from the Office of Bilingual Education so that procedures for the proper maintenance of cumulative records will be reviewed with the ELL Chairperson, specifically focusing upon documents required for ELL funding.

All Notice to Parent/Guardian of Limited English Proficient (LEP) Students (FM-6577) will be completed and disseminated only by the ELL teachers to ensure accurate completion of the notice. All completed LEP forms will be reviewed by the ELL Chairperson and assistant principal for compliance. Any required corrections will be updated immediately by the assistant principal.

All ELL program record folders for ELL students will be monitored, updated and reviewed at the beginning of the school year by the ELL Chairperson. Each grading period, the program record folder will be reviewed by the ELL teachers, ELL chairperson and assistant principal using a school generated checklist to cross-reference all sections of the ELL program record folders to ensure compliance, including a required copy of the student schedule for the current year. Additionally, the school clerk II and registrar will be trained by the ELL chairperson to assist parents in the accurate completion of the Home Language Survey (FM-5196). All counselors will monitor daily registration of new students to ensure that all students have an accurate home language survey on file. If the home language survey is not completed, the counselor will notify the registrar in order to make sure the survey is complete. The ELL chairperson will conduct regular checks of the student's records in order to ascertain that surveys are complete. The designated assistant principal will monitor the progress regularly. The Program Participation Section (FM 4650) of all ELL Student Plans will be updated annually by the ELL Chairperson and monitored by the designated assistant principal for any corrections.

The LEP Committee procedures and guidelines have been established so that students with 6 semesters or more in the ELL program will be identified immediately and the LEP Committee meeting convened in a timely manner by the assistant principal and ELL Chairperson.

FY 2006-07, SURVEY PERIOD 3

20. EDISON PARK ELEMENTARY -- A review of a sample of ten student cumulative folders disclosed the following ten discrepancies in four student folders (40%):

20.1. One student's Individual ELL/LEP Student Plan indicated the entry date to the ESOL Program prior to the assessment date; while two Home Language Surveys [FM-5196] were dated after the ESOL assessment date and entry to the ESOL Program.

20.2. For one student, the documentation of the LEP Committee meeting was not properly completed.

Pursuant to our calculations, the findings stated above generated a potential loss of \$1,058 in FTE funding to the school.

RECOMMENDATION

20. To reduce the probability of potential losses in funding and other non-compliance issues regarding ESOL criteria, ESOL staff and administration should review ESOL Program Record Folders to make certain that the information is accurate, and that all pertinent forms are properly completed and filed in the folders immediately after the information is entered into ISIS.

Person(s) Responsible: Principal, Assistant Principal, ELL Chairperson, Elementary School Assistant

Management Response: We concur with this recommendation. The principal has taken immediate corrective actions which include meeting with the Assistant Principal, Bilingual Chairperson, and the Elementary School Assistant to review and discuss the Elementary Programs Monitoring Form (FM-4778). This form outlines all procedures and items to be monitored as mandated by the Division of Bilingual Education and World Languages Department.

The Principal has created a form which will be used by the Elementary School Assistant at the time of registration for testing and documentation purposes. The Elementary School Assistant will submit current Bilingual and survey information regarding new students to the Bilingual Chairperson as well as to the Administrative Team.

The Principal has changed the job responsibilities of assigned personnel to provide more time to the Elementary School Assistant to ensure that Limited English Proficiency (LEP) Plans are in compliance with the information in ISIS. The Bilingual Chairperson and the Assistant Principal will ensure that the LEP Plans are updated, accurate, and that all pertinent forms are properly completed and filed immediately after the Elementary School Assistant enters the information into ISIS.

FY 2006-07, SURVEY PERIOD 3

- 21. JOSE DE DIEGO MIDDLE --** A review of a sample of 14 student cumulative folders disclosed the following six discrepancies in six student folders (43%):
- 21.1. In two instances, non-affirmative answers provided on the Home Language Survey [FM-5196] did not require that the student be tested for English proficiency. Additionally, one Home Language Survey was not properly completed; while another had been edited by a person other than the person who completed the survey.
 - 21.2. One Notice to Parents/Guardians of Limited English Proficient (LEP) Students [FM-6576] was not included in the folder.
 - 21.3. One Individual ELL/LEP Student Plan [FM-4649] was not properly completed in that the program date is prior to assessment date.

Pursuant to our calculations, the findings stated above generated a potential loss of \$3,139 in FTE funding to the school.

RECOMMENDATION

- 21. To reduce the probability of potential losses in funding and other non-compliance issues regarding ESOL criteria, ESOL staff and administration should review ESOL Program Record Folders to make certain that the information is accurate and that all pertinent forms are properly completed and filed in the folders immediately after the information is entered into ISIS. In addition, Home Language Surveys must have at least one of the three questions answered in the affirmative in order for the student to be assessed and subsequently placed in the ESOL program.**

Person(s) Responsible: Principal, Assistant Principal, ELL Department Chair, ELL Teachers, Registrar

Management Response:

We concur with this recommendation. On February 19, 2008, the principal implemented immediate corrective actions by meeting with the Assistant Principal, ELL Department Chair, and Registrar to review related memoranda provided through the Division of Bilingual Education and World Languages Department, the Secondary Programs Monitoring Form (FM-4779), and the LEP Folder Checklist, focusing on documents required for ELL funding. The administration will review these forms with the ELL teachers to ensure understanding and compliance with all aspects of District LEP Plan and Procedures Manual 2005.

The principal has directed the registrar to review all incoming cumulative student records for accuracy and proper documentation in accordance with School Board Rule 6Gx13-5B-1.07, Student Records. The Assistant Principal will implement an internal review for ELL Teachers utilizing the ELL checklist in September, January, and May to review ELL program and records.

FY 2006-07, SURVEY PERIOD 3

22. MADISON MIDDLE -- A review of a sample of ten student cumulative folders disclosed the following 19 discrepancies in 9 of the folders (90%):

22.1. One Home Language Survey form was not properly completed.

22.2. The Notice to Parents/Guardians of Limited English Proficient (LEP) forms for four students were dated after the February FTE survey period. In one other instance, the LEP form was missing.

22.3. Nine ELL/LEP students did not have a copy of the student's current schedule.

22.4. Three Individual ELL/LEP Student Plans were not properly completed. In one other instance, the ELL/LEP plan entry and assessment was dated after the February FTE survey period.

Pursuant to our calculations, the findings stated above generated a potential loss of \$4,434 in FTE funding to the school.

RECOMMENDATION

22. To reduce the probability of potential losses in funding and other non-compliance issues regarding ESOL criteria, ESOL staff and administration should review ESOL Program Record Folders to make certain that the information is accurate and that all pertinent forms are properly completed and filed in the folders immediately after the information is entered into ISIS.

Person(s) Responsible: Principal, Assistant Principal, ELL Teacher, Registrar

Management Response:

In order to ensure that English Language Learner (ELL) Program Record Folders are properly maintained in accordance with guidelines established by the Florida Department of Education, the principal implemented corrective actions and preventive strategies. The principal has reviewed with all person(s) responsible all related memoranda provided through the Division of Bilingual Education and World Languages and the District LEP Plan and Procedures Manual. The principal has requested training for appropriate staff from the Office of Bilingual Education and the Office of Attendance Services.

The principal will initiate and conduct school-level reviews three times per year (September, January and May) utilizing the Secondary Programs Monitoring Form (FM-4779). As part of the articulation process, the ELL teacher will also review the

cumulative records of all incoming students utilizing the Secondary Programs Monitoring Form and follow-up with the sending school to address any discrepancies or issues of non-compliance. All Notice to Parents/Guardians of Limited English Proficient (LEP) Students (FM-6577) will be issued by the ELL teacher each year and throughout the school year, at the time students are enrolled in the ELL Program. An ELL Data Input Log Book will be maintained by the Registrar to ensure that all information is entered accurately and in a timely manner.

The ELL teacher will file the corresponding student schedule in the students' ELL Program Record Folder each year and throughout the school year, at the time students are enrolled in the ELL Program.

FY 2006-07, SURVEY PERIOD 3

23. Non-Compliance Issues Regarding Teacher Certification JOHN A. FERGUSON SENIOR

Monitoring teacher certification is closely linked to Full-Time Equivalent (FTE) student funding. The Procedures Manual for Monitoring Teacher Certification establishes the guidelines for monitoring teacher certification and out-of-field teacher placement.

The school administration must have on file valid and current copies of Educator's Certificates or Official Statements of Status of Eligibility for all instructional personnel. If the school hires a teacher out-of-field, it is necessary that the principal submit a signed waiver agreement with a request for an out-of-field waiver to the corresponding Regional Center.

Master Schedule data entered into the Integrated Student Information System (ISIS) by the schools and related teacher certification information is programmatically captured by Information Technology Services (ITS) to produce a monthly data file. Based on this data, the Office of Human Resources submits a report to the School Board for approval of first-time out-of-field teaching assignments.

It is also the school administration's responsibility to monitor the teacher's compliance toward meeting in-field subject requirements for certification.

Our review of 87 teachers' records disclosed the following:

23.1. One teacher was not properly certified to teach Family and Consumer Science.

We estimate that the finding stated above generated a potential loss of \$3,046 in FTE funding to the school.

23.2. Seven teachers were not properly certified for Gifted. There was a copy of the *Agreement for Teachers Accepting Out-of-Field Assignments* [FM-5784] for five of these teachers; however, School Board approval was not established for any of the seven teachers.

Although this finding relates to non-compliance issues they still require corrective action. These teachers did not generate a potential loss because no additional funding was earmarked for students being taught by these instructors.

RECOMMENDATION

23. To reduce the probability of State funding disallowance, the school administration should review certification records. In cases where teachers have accepted an assignment to teach out-of-field, the Principal and the Regional Center should request approvals for out-of-field waivers, and the District should obtain School Board approval.

Responsible Person(s): John A. Ferguson Senior High School's Principal,
Assistant Principal for Curriculum,
Principal's Secretary, School Clerk II

Management Response:

In order to ensure that teacher certification records are properly maintained in compliance with guidelines established by the Florida Department of Education, the principal will implement the following corrective actions and preventive strategies with regard to maintenance of teacher certification records.

The principal will review with all person(s) responsible the Procedures Manual for Monitoring Teacher Certification, focusing on the procedures regarding gifted waivers. The principal will check all certifications, endorsements, eligibility letters and waivers at the beginning of each year to ensure compliance with state and district guidelines. The principal and assistant principal will review the master schedule, identify all gifted courses and teachers and cross-reference names with documented certificates with either gifted endorsements or waivers. A copy of all certificates and eligibility letters will be maintained in a binder in the main office. The assistant principal will review, at the end of each grading period, the certification report to ensure compliance.

The principal will meet with teachers who are on a temporary certificate, eligibility letter, or waiver to ensure that they are aware of the requirements and guidelines for proper certification.

Responsible Department: Office of Human Resources

Management Response:

Regarding finding 23.1: In order to assist principals in the staffing of schools, the Office of Instructional Staffing accepted a CF-29 Form in lieu of an official transcript because the transcript would not be issued by the college for at least another month. The CF-29 had to be signed by the registrar with the school seal from the college stating that the applicant has completed all requirements for the degree to be posted. That practice was in place the time this teacher was hired and the certificate was issued after the school year ended. In order to comply with good business practices, this process was stopped at the beginning of the 2007-2008 school year.

Regarding finding 23.2: The Out-of-Field Board Item is presented each month for approval by the School Board. The data in the board item is a snapshot retrieved from the Integrated Student Information System (ISIS) on the day report is generated. The dynamics of M-DCPS teacher turnover, timelines for submission of agenda items and assignment of teachers to students for Full-time Equivalent (FTE) Week requires that this report be generated approximately 3 weeks prior to each Board meeting. The district is at the beginning of the planning stages of ERP. However, ERP will not be linked to ISIS. Staff is working on a system that will assist in garnering information on a real-time basis.

OBJECTIVES, SCOPE AND METHODOLOGY

The objectives of our audits were to:

- express an opinion on the internal fund financial statements of the schools for the fiscal year ended June 30, 2007;
- evaluate compliance by the schools with the policies and procedures prescribed in the Manual of Internal Fund Accounting;
- provide assurances regarding compliance with current payroll procedures, as well as compliance with the current purchasing credit card program procedures; and certain information technology controls;
- verify compliance by the schools with the policies and procedures prescribed by the Manual of Property Control Procedures, and determine the adequacy of controls over the safeguarding of property items with an individual cost of \$1,000 or more;
- evaluate compliance with the policies and procedures set forth by the Title I Administration Handbook and the Title I School-Based Budget System Manual;
- 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;
- evaluate compliance with the policies and procedures governing the Dade County Athletic Equalization Fund.

While the scope of our audits generally covered operations during the period of July 1, 2006 through June 30, 2007, payroll, property inventory, purchasing credit card transactions, and information technology controls included current periods. FTE audits covered the February 2007 and October 2007 survey periods.

Our procedures were as follows:

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

We conducted our audits in accordance with generally accepted government auditing standards. 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 generally accepted government auditing standards, with the exception of the continuing professional education requirement not followed by our property auditors.

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.

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.

Prior to spending internal funds, schools invest their cash in designated depositories. Funds not used in the daily operations may be invested in the MDCPS-Money Market Pool Fund. The Fund's interest rate as of June 30, 2007 was 5.08%.

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

- ◆ Annual audits of internal funds are required by Section 1011.07, Florida Statutes, and State Board of Education Rule 6A-1.087
- ◆ Internal Funds are revenues generated from student activities at the school level which are not part of the school's budget process
- ◆ Each school administers their internal funds separately through an operational checking account
- ◆ 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, 2007, the MDCPS-Money Market Pool Fund's interest rate was 5.08%.

PAYROLL

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

Each school processes its own biweekly payrolls. Timekeeping personnel enter the employees' time and attendance data, on a centralized information system. After the information is entered into the system, it is approved by the principal on-line. Subsequently, the payroll department reviews the information and processes the payroll. Once the checks/advice are printed, they are distributed throughout the District by Treasury Management.

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. Accordingly, our office conducts yearly inventories at each school of all property items with an individual value of \$1,000 or more, the results of which are reported herein.

PURCHASING CREDIT CARD (P-CARD) PROGRAM

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

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


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

DATA SECURITY MANAGEMENT REPORT AND SCHOOL SITE IT SECURITY AUDIT CHECKLIST

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



The School Site IT Security Audit Checklist is a self-assessment tool for evaluating network security and compliance with District security policy.



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

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

to students' academic grades is limited to a specific and restricted number of authorized personnel at their schools.

TITLE I PROGRAM

Schools 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 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 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 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, principals administer Title I programs with oversight from the Regional Centers or the School Improvement Zone, under the overall direction of the 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 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.

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

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.

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 2006-07 and 2007-08 FY, months selected by the FDOE for these surveys were as follows:

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

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

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

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

DADE COUNTY ATHLETIC EQUALIZATION FUND

The Dade County Athletic Equalization Fund was established to aid the athletic programs at senior high schools in financial distress. To assure the viability of this Fund, schools are required to repay amounts borrowed, for which no interest is charged.

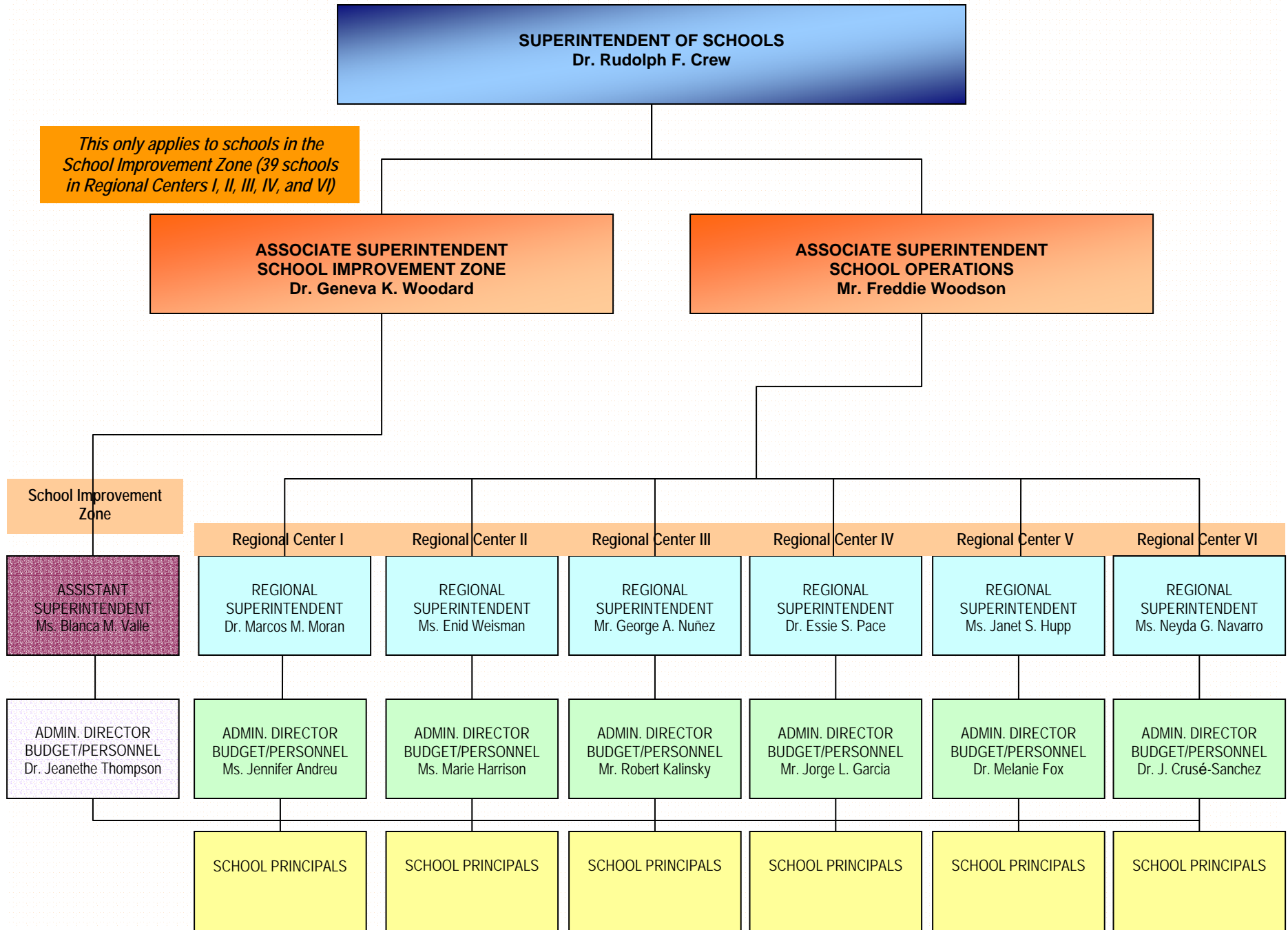
The transactions of the Miami-Dade County Athletic Equalization Fund are recorded in a Trust Fund account maintained in the internal funds of Coral Gables Senior High School.

An Assistant Superintendent with School Operations served as the administrator of this fund through August 2006. Subsequently and up to the current year, an Administrative Director overseeing Athletics administers this fund. The Principal of Coral Gables Senior High School served as the trustee.

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

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

ORGANIZATIONAL CHART



MANAGEMENT'S RESPONSES

APPENDIX-MANAGEMENT'S RESPONSE
Biscayne Elementary

MEMORANDUM

February 27, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Dr. Maria T. Rodriguez, Principal
Biscayne Elementary School



THROUGH: Ms. Enid Weisman, Regional Superintendent
Regional Center II

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

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

RECOMMENDATION

1. **Ensure that all SPED folders contain the Matrix of Services form which has been reviewed and updated. The special education staff should review the students' cumulative folders and determine that current forms such as IEP's, Matrix of Services, are accurate and filed immediately after the information is entered into Integrated Student Information System (ISIS) to reduce the probability of being out of compliance and the consequential funding disallowances that may result from these documentation errors/omissions.**

School/Department Responsible: Biscayne Elementary School

Person(s) Responsible: Principal, Assistant Principal(s), Registrar,
Program Specialist, SPED Department
Chairperson, and SPED Teachers

Management Response: In order to ensure that the cumulative folders for all SPED students are properly maintained and that the Matrix of Services forms are completed in compliance with guidelines established by the Florida Department of Education, the principal implemented the following corrective actions and preventive strategies with regard to the maintenance of SPED records. The principal reviewed with the assistant principal and the SPED teachers the SPED Standards Record Review form [FM-7069] which denotes all the procedures and monitoring items mandated by the Division of Special Education. The administration reviewed the Matrix of Services Handbook 2004 Revised Edition with the SPED teachers and requested training from District SPED personnel to ensure understanding and compliance with all aspects of the Matrix of Services form (FM-5582) document. The principal directed the assistant principal to coordinate a review of the cumulative records of all current SPED students focusing on

APPENDIX-MANAGEMENT'S RESPONSE
Biscayne Elementary

the correlation between the Matrix of Services and the IEP. Any discrepancies found between the Matrix forms and the IEPs will be immediately corrected. The assistant principal and the SPED department chairperson will work with SPED teachers to ensure that the cumulative records of all SPED students are in compliance using the SPED Standards Record Review checklist.

The preventive monitoring strategies will include monthly meetings with the SPED teachers and conducting reviews of the SPED folders. The SPED Standards Record Review form will be utilized to review the student folders three times per year. When the Local Education Agency (LEA) representative signs the updated Individualized Education Plan (IEP), he/she will also review the corresponding Matrix of Services form to ensure proper review and updating.

Additionally, the principal directed the registrar to review all incoming and outgoing cumulative student records, particularly those not completed on WISE, for accuracy and proper documentation in accordance with School Board Rule 6Gx13-5B-1.07-Student Records to ensure that the IEP and the Matrix of Services both match what appears in ISIS. All incoming SPED cumulative records will then be forwarded to the assistant principal for final review.

After review of the cumulative records by both the registrar and assistant principal, the assistant principal will provide written notification of any missing or non-compliant records to the principal. The principal will make every attempt to locate the missing files and ensure that all non-compliant records have been brought to specification.

If you have any questions, please feel free to contact me at 305-868-7727.

cc: Mr. Freddie Woodson
Cynthia Gracia
Marie Harrison

APPENDIX-MANAGEMENT'S RESPONSE
Comstock Elementary

MEMORANDUM

March 5, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Deborah A. Wilson, Principal
Comstock Elementary School

THROUGH: Essie S. Pace, Regional Superintendent
Regional Center IV

SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF
COMSTOCK ELEMENTARY SCHOOL

The following is a response to the audit findings in the school's internal funds audit report of Comstock Elementary School.

RECOMMENDATIONS

Payroll

- 1.1. Ensure that both staff and administration carefully review payroll records prior to its approval to ensure its accuracy and prevent the reporting of payroll errors and inconsistencies with supporting documentation.
- 1.2. Adhere to the payroll distribution process to ensure that all employees receiving actual payroll checks sign upon receipt.

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

Management Response: In order to prevent the recurrence of similar conditions in future audits with respect to payroll procedures, the principal will implement the following corrective actions and preventive strategies in order to ensure accurate monitoring and processing of payroll records and streamline the efficiency of payroll processing.

The principal has reviewed with all persons responsible the Payroll Processing Procedures Manual focusing on the procedures to document payroll records and processing and approving the payroll. A system was established to provide for the careful review of the Daily Payroll Attendance Sheet by both the payroll clerk and the principal or designee. This will ensure that all employees' sign in/out on a daily basis and proper notations are made when employees are out of the building.

The principal met with her designee and payroll clerk to review payroll reporting

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MANAGEMENT AP

APPENDIX-MANAGEMENT'S RESPONSE
Comstock Elementary

procedures. The principal's designee was instructed to oversee the payroll preparation and reporting process. The principal's designee along with the payroll clerk will review the working rosters, leave cards and Daily Payroll Attendance Sheet to verify accuracy of all payroll documents. The principal will review all payroll records prior to the printing of the final roster and the approval of the payroll on a bi-weekly basis.

The principal met with the payroll distributor and the alternate to review the payroll distribution process with emphasis on employees who receive actual payroll checks to sign receipt on the printed Payroll Checks/Advices Control Report. The principal will conduct a monthly review of the process that has been established to monitor the signatures of the identified employees.

If you have any questions regarding this matter, you may reach me at (305) 995-4242.

Thank You.


cc: Mr. Freddie Woodson
Ms. Cynthia Gracia
Mr. Jorge L. Garcia

APPENDIX-MANAGEMENT'S RESPONSE
Phyllis R. Miller Elementary

MEMORANDUM

March 5, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Lora Manning, Principal 
Phyllis R. Miller Elementary School

THROUGH: Essie S. Pace, Regional Superintendent
Regional Center IV

SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF
PHYLLIS R. MILLER ELEMENTARY SCHOOL

2008 MAR -5 PM 4:1
OFFICE OF MANAGEMENT AND COMPLIANCE AUDITS

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

Purchasing Credit Card Records and Procedures

RECOMMENDATIONS

- 1.1. Enforce credit card procedures and maintain appropriate documentation for credit card purchases.

Persons responsible: Principal, Assistant Principal, Treasurer

Management Response: The principal met with the school treasurer and assistant principal to review the audit findings and develop strategies to monitor established corrective actions as related to Section V of the Purchasing Credit Card Program Policies and Procedures Manual and the Manual of Internal Fund Accounting.

The assistant principal will review the daily financial activity with the treasurer to ensure that the records are accurate, properly documented, and transactions are processed timely. Corrections will be made and discussed as needed with the principal. The principal, on a random basis will also review selected financial records to ensure accurate documentation. Any discrepancies noted will be corrected immediately.

The principal has reviewed with the appropriate staff District procedures for documenting and processing credit card purchases as outlined in the Purchasing Credit Card Program Policies and Procedures Manual. A system has been established for proper credit card purchasing which entails the principal and/or the assistant principal carefully reviewing the Purchase Credit Card Program Purchase Authorization Form (FM-57907) for approval prior to providing a manual signature for the execution of any credit card transactions

and conducting an itemized review of original invoices prior to disbursement of funds. The principal will direct the treasurer to obtain fax confirmation from the vendor as a record of transaction. The principal will not sign approval on the Purchasing Credit Card Program Purchase Authorization form unless the purchase meets all guidelines outlined in the Purchasing Credit Card Program Policies and Procedures Manual. All packing slips, receipts or invoices will be attached to the Purchasing Credit Card Purchase Authorization form with signature of receipt by the individual receiving the goods or responsible administrator and will be provided to the principal prior to payment.

- 1.2. **School administration and staff involved with credit card purchases should enroll in an upcoming refresher credit card training offered by the District.**

Persons responsible: Principal, Assistant Principal, Treasurer

Management Response: The principal, assistant principal and the treasurer will enroll in upcoming refresher credit card training offered by the District. Additionally, the principal will participate in the District's Money Matter Support Program, monthly.

School administrators and the appropriate school site employees have been directed to attend refresher training activities related to Credit Card Purchases. Information for registering for participation in aforementioned training was provided to the appropriate staff members and receipt of acknowledgement has been secured by the principal. Technical training opportunities will also be provided for the appropriate school site employees through the Office of the Comptroller as they become available.

Should you require additional information, please do not hesitate to contact me at 305-756-3800.

cc: Mr. Freddie Woodson
Mr. Jorge L. Garcia
Ms. Cynthia Gracia

APPENDIX-MANAGEMENT'S RESPONSE
John A. Ferguson Senior

MEMORANDUM

February 27, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Ms. Jane Garraux, Principal *Jane Garraux*
John A. Ferguson Senior High School

THROUGH: Mrs. Janet S. Hupp, Regional Superintendent *Janet Hupp*
Regional Center V

SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF
JOHN A. FERGUSON SENIOR HIGH SCHOOL

The following is a response to relevant findings in the school audit report of John A. Ferguson Senior High School.

RECOMMENDATIONS

Inappropriate Spending For Faculty Retreats

- 1.2. Enforce contract-signing procedures in accordance with School Board Rule 6Gx13- 3F-1.01, to prevent principals from entering into agreements not properly authorized by the School Board.

Responsible Person(s): Principal

Management's Response: In order to ensure compliance with contract signing procedures in accordance with School Board Rule 6Gx13- 3F-1.01. Contracts and Documents, the principal will implement the following preventive strategy:

The principal will submit all contracts for which the School Board is a party to, to the Regional Center V Superintendent and School Board Attorney for drafting or approval as to form and to determine if such contracts meet all relevant and applicable legal requirements.

RECOMMENDATIONS

Special Education and Gifted Student Records

2. To reduce the probability of potential losses in funding and other non-compliance issues regarding Exceptional Student Education records, the Matrix of Services form must be completed following each initial IEP meeting or reviewed after each annual and/or Interim IEP meeting. Also, IEPs and EPs must be properly signed and filed with the student's records.

Students 14 years or older should be invited to the IEP conference through the Notification of Meeting [FM-4851]. Staff should review the students' cumulative folders and determine that current forms such as IEPs, EPs, Matrix of Services, etc., are accurate and filed immediately after the information is entered into the Integrated Student Information System (ISIS).

Responsible Person(s): Principal, Assistant Principal, Program Specialist, SPED Chairperson, SPED Instructors, Gifted Coordinator, Gifted Instructors, Registrar, School Clerk II

Management's Response: In order to ensure that the Special Education programs (funding and recordkeeping) are properly maintained and that the matrix of services forms are completed in compliance with guidelines established by the Florida Department of Education, the principal will implement the following corrective actions and preventive strategies with regard to the maintenance of student SPED records.

The principal has reviewed with all person(s) responsible for the Full Time Equivalent (FTE), the funding guidelines for SPED students, including gifted, programs. The principal, assistant principal and registrar will attend the FTE workshop paying special attention to the section regarding gifted funding. The gifted students will be identified, and the assistant principal, gifted coordinator and registrar will review the FTE line number for each student to ensure compliance.

The principal has directed the registrar to review all incoming cumulative folders for accuracy and proper documentation in accordance with School Board Rule 6Gx13-5B-1.07 Student Records. Additionally, the principal will direct the SPED program specialist and gifted coordinator to assign case loads to identified teachers. Case load numbers are dependent on the number of teachers and students. The case load teachers are directed to review each cumulative folder and Individual Educational Plan (IEP)/Education Plan (EP) for compliance using a checklist developed at the school site. The checklist includes signature lines for general education teachers, IEP/EP expiration dates, and any students 14 years or older invited to conferences. Using the designated checklist, the SPED/gifted teachers will also review the IEP/EP following each initial, annual, or interim IEP/EP meeting.

After reviewing the cumulative folders, the teachers are directed to notify either the gifted coordinator or program specialist of any missing or non-compliant records. The principal and assistant principal will secure all missing documents and correct all non-compliant documents as appropriate.

The principal has also directed the assistant principal and SPED program specialist to review the Matrix of Services Handbook, 2004 Revised Edition, as well as all SPED teachers to ensure compliance with all aspects of the Matrix of Services Form (5582). The assistant principal and program specialist will work together using the SPED Standards Records Review form (7069) to ensure compliance. The assistant principal will inform the principal immediately in writing of any missing or non-compliant record information that requires further action.

RECOMMENDATIONS

English Language Learners' (ELL) Student Records

3. **To reduce the probability of potential losses in funding and other-noncompliance issues regarding ESOL criteria, ESOL staff and administration should review ESOL Program Record Folders to make certain that the information is accurate and that all pertinent forms are properly completed and filed in the folders immediately after the information is entered into ISIS.**

Responsible Person(s): Principal, Assistant Principal, ELL Department Chairperson, ELL Instructors, Registrar, School Clerk II

Management's Response: In order to ensure that ELL Program record folders are properly maintained in compliance with guidelines established by the Florida Department of Education, the principal will implement the following corrective actions and preventive strategies with regard to the maintenance of ELL Program record folders.

The principal has reviewed with all person(s) responsible all related documentation provided by the Division of Bilingual Education, World Languages and the District LEP Plan and Procedures Manual 2005. The principal will request training from the Office of Bilingual Education so that procedures for the proper maintenance of cumulative records will be reviewed with the ELL Chairperson, specifically focusing upon documents required for ELL funding.

All Notice to Parent/Guardian of Limited English Proficient (LEP) Students (FM-6577) will be completed and disseminated only by the ELL teachers to ensure accurate completion of the notice. All completed LEP forms will be reviewed by the ELL Chairperson and assistant principal for compliance. Any required corrections will be updated immediately by the assistant principal.

All ELL program record folders for ELL students will be monitored, updated and reviewed at the beginning of the school year by the ELL Chairperson. Each grading period, the program record folder will be reviewed by the ELL teachers, ELL chairperson and assistant principal using a school generated checklist to cross-reference all sections of the ELL program record folders to ensure

compliance, including a required copy of the student schedule for the current year. Additionally, the school clerk II and registrar will be trained by the ELL chairperson to assist parents in the accurate completion of the Home Language Survey (FM-5196). All counselors will monitor daily registration of new students to ensure that all students have an accurate home language survey on file. If the home language survey is not completed, the counselor will notify the registrar in order to make sure the survey is complete. The ELL chairperson will conduct regular checks of the student's records in order to ascertain that surveys are complete. The designated assistant principal will monitor the progress regularly. The Program Participation Section (FM-4650) of all ELL Student Plans will be updated annually by the ELL Chairperson and monitored by the designated assistant principal for any corrections.

The LEP Committee procedures and guidelines have been established so that students with 6 semesters or more in the ELL program will be identified immediately and the LEP Committee meeting convened in a timely manner by the assistant principal and ELL Chairperson.

RECOMMENDATIONS

Teacher Certification

4. **To reduce the probability of State funding disallowance, the school administration should review certification records. In cases where teachers have accepted an assignment to teach out-of-field, the Principal and the Regional Center should request approvals for out-of-field waivers, and the District should obtain School Board approval.**

Responsible Person(s): Principal, Assistant Principal for Curriculum,
Principal's Secretary, School Clerk II

Management's Response: In order to ensure that teacher certification records are properly maintained in compliance with guidelines established by the Florida Department of Education, the principal will implement the following corrective actions and preventive strategies with regard to maintenance of teacher certification records.

The principal will review with all person(s) responsible the Procedures Manual for Monitoring Teacher Certification, focusing on the procedures regarding gifted waivers. The principal will check all certifications, endorsements, eligibility letters and waivers at the beginning of each year to ensure compliance with state and district guidelines. The principal and assistant principal will review the master schedule, identify all gifted courses and teachers and cross-reference names with documented certificates with either gifted endorsements or waivers. A copy of all certificates and eligibility letters will be maintained in a binder in the main

APPENDIX-MANAGEMENT'S RESPONSE
John A. Ferguson Senior

office. The assistant principal will review, at the end of each grading period, the certification report to ensure compliance.

The principal will meet with teachers who are on a temporary certificate, eligibility letter, or waiver to ensure that they are aware of the requirements and guidelines for proper certification.

Thank you for your attention to this matter. Should you require additional information, please feel free to contact me at 305-408-6486.


cc: Mr. Freddie Woodson
Dr. Melanie Fox
Ms. Cynthia Gracia


APPENDIX-MANAGEMENT'S RESPONSE
Edison Park Elementary

MEMORANDUM

February 29, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Yecenia Martinez, Principal 
Edison Park Elementary School

THROUGH: Blanca M. Valle, Assistant Superintendent 
School Improvement Zone

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

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

RECOMMENDATIONS:

Special Education Student Records

- 1.1 Ensure that SPED folders contain IEPs and Matrix of Services forms which have been properly reviewed and updated. The Special Education staff should review the students' cumulative folders and determine that current forms such as IEPs and Matrix of Services forms are accurate and filed immediately after the information is entered into the Integrated Student Information System (ISIS). This coordinated effort should reduce the probability of being out of compliance and the consequential funding disallowances that may result from documentation errors/omissions.
- 1.2 Submit DECO amendments on time.

Person(s) Responsible: Principal, Assistant Principal, SPED Chairperson, and Elementary School Assistant

Management Response: We concur with these recommendations. The principal has taken immediate corrective actions which include meeting with the Assistant Principal, SPED Chairperson, Elementary School Assistant, and the SPED teachers to review the audit findings. The Principal reviewed the SPED Standards Record Review form (FM-7069) which denotes all the procedures and items to be monitored as mandated by the Division of Special Education.

APPENDIX-MANAGEMENT'S RESPONSE
Edison Park Elementary

The Principal has assigned a new SPED chairperson who has been provided the appropriate training by the SPED Supervisors for School Improvement Zone and Regional Center. The SPED Chairperson and the Assistant Principal will ensure that the SPED folders contain IEP's and Matrix of Services forms that will be updated and reviewed by the SPED department in a systematic manner. This will include monthly meetings as well as school-level reviews of the SPED folders. The SPED Chairperson will work closely with the Elementary School Assistant to ensure that all pertinent information is entered into the Integrated Student Information System (ISIS) immediately after the paperwork is completed.

The Principal has created a form which will be used by the Elementary School Assistant at the time of registration for testing and documentation purposes. The Elementary School Assistant will submit current SPED information regarding new students to the SPED Chairperson, and the Administrative Team. The Principal has changed the job responsibilities of assigned personnel to provide additional time to review the IEP's and Matrix of Services forms to ensure compliance with the information in ISIS.

The Principal will work closely with the Elementary School Assistant to ensure that any required DECO amendments are completed in a timely manner.

English Language Learners' (ELL) Student Records

2. **To reduce the probability of potential losses in funding and other non-compliance issues regarding ESOL criteria, ESOL staff and administration should review ESOL Program Record Folders to make certain that the information is accurate, and that all pertinent forms are properly completed and filed in the folders immediately after the information is entered into ISIS.**

Person(s) Responsible: Principal, Assistant Principal, ELL Chairperson, Elementary School Assistant

Management Response: We concur with this recommendation. The principal has taken immediate corrective actions which include meeting with the Assistant Principal, Bilingual Chairperson, and the Elementary School Assistant to review and discuss the Elementary Programs Monitoring Form (FM-4778). This form outlines all procedures and items to be monitored as mandated by the Division of Bilingual Education and World Languages Department.

The Principal has created a form which will be used by the Elementary School Assistant at the time of registration for testing and documentation purposes. The Elementary School Assistant will submit current Bilingual and survey information regarding new students to the Bilingual Chairperson as well as to the Administrative Team.

APPENDIX-MANAGEMENT'S RESPONSE
Edison Park Elementary

The Principal has changed the job responsibilities of assigned personnel to provide more time to the Elementary School Assistant to ensure that Limited English Proficiency (LEP) Plans are in compliance with the information in ISIS. The Bilingual Chairperson and the Assistant Principal will ensure that the LEP Plans are updated, accurate, and that all pertinent forms are properly completed and filed immediately after the Elementary School Assistant enters the information into ISIS.

Should you have any questions or concerns, please do not hesitate to contact me at (305) 758-3658.

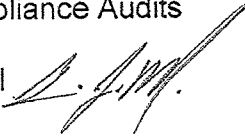
cc: Dr. Geneva K. Woodard
Dr. Jeanethe Thompson


APPENDIX-MANAGEMENT'S RESPONSE
Jose de Diego Middle

MEMORANDUM

February 29, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Concepcion I. Martinez, Principal 
Jose de Diego Middle School

THROUGH: Blanca M. Valle, Assistant Superintendent 
School Improvement Zone

**SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF
JOSE DE DIEGO MIDDLE SCHOOL**

The following is the response to relevant findings in the school audit report of Jose de Diego Middle School.

RECOMMENDATION

Special Education Student Records

1. Ensure that all SPED folders contain the Matrix of Services form which has been reviewed and updated. The Special Education staff should review the students' cumulative folders and determine that current forms such as IEPs and Matrix of Services are accurate and filed immediately after the information is entered into the Integrated Student Information System (ISIS). This coordinated effort should reduce the probability of being out of compliance and the consequential funding disallowances that may result from these documentation errors/omissions.

Person(s) Responsible: Principal, Assistant Principal, SPED Program Specialist, SPED Department Chair, SPED Teachers, Registrar

Management Response:

We concur with this recommendation. On February 19, 2008, the principal implemented immediate corrective actions by meeting with the Assistant Principal, SPED Program Specialist, SPED Department Chair, and Registrar to review the SPED Standards Record Review form (FM-7069), which outlines the procedures and items to be monitored as mandated by the Division of Special Education. The administration will review the SPED Standards Record Review form and the Matrix of Services Handbook 2004 Revised Edition with the SPED teachers to ensure understanding and compliance with all aspects of the Matrix of Services document.

The principal has directed the registrar to review all incoming student cumulative records for accuracy and proper documentation in accordance with School Board Rule 6Gx13-5B-1.07, Student Records. All incoming SPED student cumulative records will be immediately forwarded to the SPED Program Specialist for further review and to ensure that the information in the PF17 screen agrees with the IEP and Matrix. The SPED Program Specialist will notify the principal, in writing, of any missing or non-compliant records. The SPED Program Specialist will obtain any missing documents and correct, as appropriate, any non-compliant documents.

Preventive monitoring strategies will include monthly meetings with the SPED teachers and conducting internal reviews of the SPED folders. The SPED Standards Record Review form will be used to review the student folders in September, January, and May. The SPED Program Specialist, serving as the Local Education Agency (LEA), will sign the updated Individualized Education Plan (IEP) and will review the corresponding Matrix of Services form to ensure its accuracy.

English Language Learners' (ELL) Student Records

2. **To reduce the probability of potential losses in funding and other non-compliance issues regarding ESOL criteria, ESOL staff and administration should review ESOL Program Record Folders to make certain that the information is accurate and that all pertinent forms are properly completed and filed in the folders immediately after the information is entered into ISIS. In addition, Home Language Surveys must have at least one of the three questions answered in the affirmative in order for the student to be assessed and subsequently placed in the ESOL program.**

Person(s) Responsible: Principal, Assistant Principal, ELL Department Chair, ELL Teachers, Registrar

Management Response:

We concur with this recommendation. On February 19, 2008, the principal implemented immediate corrective actions by meeting with the Assistant Principal, ELL Department Chair, and Registrar to review related memoranda provided through the Division of Bilingual Education and World Languages Department, the Secondary Programs Monitoring Form (FM-4779), and the LEP Folder Checklist, focusing on documents required for ELL funding. The administration will review these forms with the ELL teachers to ensure understanding and compliance with all aspects of District LEP Plan and Procedures Manual 2005.

The principal has directed the registrar to review all incoming cumulative student records for accuracy and proper documentation in accordance with School Board Rule 6Gx13-5B-1.07, Student Records. The Assistant Principal will implement an internal

APPENDIX-MANAGEMENT'S RESPONSE
Jose de Diego Middle

review for ELL Teachers utilizing the ELL checklist in September, January, and May to review ELL program and records.

Should you have any questions or concerns, please do not hesitate to contact me at (305) 573-7229.


cc: Dr. Geneva K. Woodard
Dr. Jeanethe Thompson


APPENDIX-MANAGEMENT'S RESPONSE
Charles R. Drew Middle

MEMORANDUM

February 29, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Gwen Coverson, Principal 
Charles R. Drew Middle Community School

THROUGH: Blanca M. Valle, Assistant Superintendent 
School Improvement Zone

SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF
CHARLES R. DREW MIDDLE COMMUNITY SCHOOL

The principal has implemented a corrective action plan in response to the cited audit exceptions for the period of July 1, 2006 through June 30, 2007. The principal also met with the Assistant Principals, Treasurer, Club Sponsors and Team Leaders to discuss in depth the audit findings.

In addition, a Faculty Meeting was held on February 19, 2008 to discuss fundraising procedures. During the 2007-2008 School Year, the principal will take an active role in monitoring all personnel associated with collecting, depositing and managing internal funds. Also, the principal will review with administrators and selected personnel the proper procedures for receiving and disposal of equipment. The principal will periodically meet with the administrative staff, treasurer and selected school staff to monitor compliance and ensure supporting documentation is archived and maintained. The principal will also confer with the School Improvement Zone, the Regional Center, and the District Business Manager for support in maintaining compliance with all guidelines found in the Manual of Internal Accounting.

The following is a response to relevant findings in the school audit report of Charles R. Drew Middle Community School.

RECOMMENDATIONS

Mishandling of Donated Equipment

- 1.1. Inform the Regional Center of all donated items with a value of \$15,000 or more and strengthen controls over the receipt of donated property.
- 1.2. Instruct staff on the proper procedures for receiving and disposal of equipment.

Person(s) Responsible:

Principal, Assistant Principal

Management Response:

We concur with these recommendations. The principal will request the donor to provide the school the fair market value per item prior to accepting any donations. All equipment that is a donation or a gift with a value of \$15,000 or more will be routed to the School Improvement Zone and the Regional Center to present to the School Board as an agenda item seeking Board acceptance.

Upon receipt of donated goods, the principal will physically verify and ensure that it is safe-guarded at the school.

All equipment with a donation or gift value of \$1,000 or greater will be reported to Property Accounting. The Incoming Controlled Equipment Form (FM-1669) will be used for reporting and entry into the District's Property Master File at fair market value.

The steps listed above will be utilized to assist administrators and selected staff in receiving donated equipment. The administrators and selected personnel will review and utilize the Outgoing Controlled Equipment Form (FM-1670) for the disposal of donated equipment.

Fund-Raising Activities

- 2.1 **Discuss with staff the proper fund raising procedures and ensure that taxes are paid to the vendor or the Florida Department of Revenue when applicable.**
- 2.2 **Plan future 8th Grade activities accordingly to ensure that the number of meals to be purchased is commensurate with student demand.**
- 2.3 **Refrain from using tickets produced in-house and only use pre-printed numbered tickets obtained from a vendor.**

Person(s) Responsible: Principal, Assistant Principal, Club Sponsors, Team Leaders, Treasurer

Management Response:

We concur with this recommendation. The principal directed the team leader and the treasurer to utilize pre-numbered tickets to ensure that the number of meals purchased commensurate with student demand.

The principal also directed the sponsors and the treasurer to utilize pre-numbered tickets from an authorized vendor.

APPENDIX-MANAGEMENT'S RESPONSE
Charles R. Drew Middle

The principal directed the treasurer to review procedures outlined in Section IV, Chapter 9 of the Manual of Internal Fund Accounting, and report all Sales Tax items before fundraisers are approved directly to the vendor. The principal will ensure that all appropriate taxes are paid upon reviewing Operating Reports.

In order to avoid future audit exceptions, the principal will meet with the treasurer periodically to review activities and ensure guidelines set forth in Section IV, Chapter 6 of the Manual of Internal Fund Accounting are adhered to. The principal will also ensure that the treasurer uses a vendor who will charge sales tax on the invoice.

Should you have any questions or concerns, please do not hesitate to contact me at (305) 634-5330.

cc: Dr. Geneva K. Woodard
Dr. Jeanethe Thompson

APPENDIX-MANAGEMENT'S RESPONSE
Madison Middle

MEMORANDUM

February 29, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Tonya Dillard, Principal *TD*
Madison Middle School

THROUGH: Blanca M. Valle, Assistant Superintendent *BMV*
School Improvement Zone

SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF
MADISON MIDDLE SCHOOL

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

RECOMMENDATIONS

Special Education (SPED) and Gifted Student Records

1. The Matrix of Services form must be completed following each initial IEP meeting or reviewed after each annual and/or interim IEP meeting. Also, IEPs and EPs must be properly signed and filed with the student's records. Staff should review the students' cumulative folders and determine that current forms such as IEPs, EPs, Matrix of Services, etc., are accurate and filed immediately after the information is entered into the Integrated Student Information System (ISIS). This coordinated effort should reduce the probability of being out of compliance and prevent funding disallowances.

Person(s) Responsible: Principal, Assistant Principal(s), SPED Program Specialist, SPED Department Chairperson, SPED Teachers, Registrar

Management Response:

In order to ensure that the cumulative folders for all SPED and Gifted students are properly maintained and that Matrix of Services forms are completed in compliance with guidelines established by the Florida Department of Education, the principal implemented corrective actions and preventive strategies. The principal has requested training for appropriate staff from the Office of Exceptional Student Education. The principal will initiate and conduct school-level reviews three times per year (September, January and May) utilizing the SPED Standards Record Review (FM-7069) form. In addition, at every Individual Education Plan (IEP) Review, Education Plan (EP) Review

and Initial Staffing for SPED or Gifted Students, the SPED Chairperson will also complete the SPED Standards Record Review Form to ensure accuracy and submit to the principal or designee for review.

As part of the articulation process, the SPED Program Specialist will also review the cumulative records of all incoming students utilizing the SPED Standards Record Review Form and follow up with the sending school to address any discrepancies or issues of non-compliance.

Upon completion of an IEP, EP, or Staffing, a review and/or update of the Matrix of Services form will be conducted by the Assistant Principal in charge of the SPED program to ensure that all information is accurately entered into ISIS. The SPED Program or Staffing Specialist will complete the SPED services Data Input Sheet (FM-6487) immediately following all meetings and the SPED Program Specialist will input information in ISIS and print the corresponding ISIS screen(s) immediately following each meeting. The Data Input Sheet along with a copy of the corresponding ISIS screen will be maintained in a SPED Data Input Log Book.

English Language Learners' (ELL) Student Records

2. **To reduce the probability of potential losses in funding and other non-compliance issues regarding ESOL criteria, ESOL staff and administration should review ESOL Program Record Folders to make certain that the information is accurate and that all pertinent forms are properly completed and filed in the folders immediately after the information is entered into ISIS.**

Person(s) Responsible:

**Principal, Assistant
Principal, ELL Teacher, Registrar**

Management Response:

In order to ensure that English Language Learner (ELL) Program Record Folders are properly maintained in accordance with guidelines established by the Florida Department of Education, the principal implemented corrective actions and preventive strategies. The principal has reviewed with all person(s) responsible all related memoranda provided through the Division of Bilingual Education and World Languages and the District LEP Plan and Procedures Manual. The principal has requested training for appropriate staff from the Office of Bilingual Education and the Office of Attendance Services.

The principal will initiate and conduct school-level reviews three times per year (September, January and May) utilizing the Secondary Programs Monitoring Form (FM-4779). As part of the articulation process, the ELL teacher will also review the cumulative records of all incoming students utilizing the Secondary Programs

APPENDIX-MANAGEMENT'S RESPONSE
Madison Middle

Monitoring Form and follow-up with the sending school to address any discrepancies or issues of non-compliance. All Notice to Parents/Guardians of Limited English Proficient (LEP) Students (FM-6577) will be issued by the ELL teacher each year and throughout the school year, at the time students are enrolled in the ELL Program. An ELL Data Input Log Book will be maintained by the Registrar to ensure that all information is entered accurately and in a timely manner.

The ELL teacher will file the corresponding student schedule in the students' ELL Program Record Folder each year and throughout the school year, at the time students are enrolled in the ELL Program.

If additional information is needed, I can be reached at 305-836-2610.

cc: Dr. Geneva Woodard
Dr. Jeanethe Thompson

APPENDIX-MANAGEMENT'S RESPONSE
Miami Edison Middle

MEMORANDUM

February 29, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Richelle T. Lumpkin, Principal *RL*
Miami Edison Middle School

THROUGH: Blanca M. Valle, Assistant Superintendent *BMV*
School Improvement Zone

SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF
MIAMI EDISON MIDDLE SCHOOL

The following is a response to relevant findings in the school audit report of Miami Edison Middle School.

RECOMMENDATIONS

Special Education (SPED) Student Records

1. Ensure that all SPED folders contain IEPs and Matrix of Services forms which have been properly completed, reviewed and updated. The Special Education staff should review the student's cumulative folders and determine that current forms such as IEPs and Matrix of Services forms are accurate and filed immediately after the information is entered into the Integrated Student Information System (ISIS). This coordinated effort should reduce the probability of being out of compliance and the consequential funding disallowances that may result from these documentation errors/omissions.

Person(s) Responsible: Principal, Assistant Principal, SPED Chair and SPED teachers

Management Response:

We concur with this recommendation. The immediate corrective actions taken by the principal include conducting a meeting with the Assistant Principal responsible for Exceptional Student Education program along with the SPED department chairperson to review the SPED Standards Record Review (FM-7069) form, which outlines all the procedures and items to be monitored as mandated by the Division of Special Education.

The Assistant Principal for SPED and SPED Department Chairperson will ensure that all SPED folders contain current, completed, and reviewed IEPs and Matrix of Services forms. Additionally, the administration will review the Matrix of Services Handbook 2004

APPENDIX-MANAGEMENT'S RESPONSE
Miami Edison Middle

Revised Edition with the SPED teachers to ensure understanding and compliance with all aspects of the Matrix of Services document.

The Assistant Principal will also ensure that a site-based mini review is conducted at the completion of each interim IEP. This will include a review of the students' cumulative folders in order to make any necessary corrections, modifications, or maintenance of IEPs and Matrix of Services forms, as well as verifying that the information is accurate and filed immediately after entry into the Integrated Student Information System. Any necessary DECO amendments will be processed in a timely manner.

Should you have any questions or concerns, please do not hesitate to contact me at (305) 754-4683.

cc: Dr. Geneva K. Woodard
Dr. Jeanethe Thompson

APPENDIX-MANAGEMENT'S RESPONSE
Miami Northwestern Senior

MEMORANDUM

February 29, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Charles Hankerson, Principal *CH*
Miami Northwestern Senior High School

THROUGH: Blanca M. Valle, Assistant Superintendent *BMV*
School Improvement Zone

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

The current principal was assigned to Miami Northwestern Senior High School on March 12, 2007 towards the end of school year reported in the audit. The Principal has taken a proactive approach in establishing procedures that ensure compliance with School Board policies. The principal has met with faculty and staff to review the Manual of Internal Fund Accounting as it pertains to all matters concerning the distribution, collection, and delivery of goods. Also, a review of policies established by the Payroll Processing Procedures manual was conducted with the designated staff in order to ensure policy compliance. Additionally, the Principal has met with designated staff to review the hiring practices that govern the school and directed them to adhere to the requirements and procedures for all grants and federal funds allocated to the school.

The Following is a response to relevant findings in the school audit report of Miami Northwestern Senior High.

RECOMMENDATIONS

Payroll

1. Staff should follow established payroll processing procedures relative to recording, reporting, documenting, reviewing, and approving time and attendance.

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

Management Response:

We concur with this recommendation. The principal met with the Payroll Clerk and Business Manager to review the audit findings. In order to avoid future audit exceptions, the principal reviewed and discussed Chapters 1 through 5 of the Payroll Processing Procedures Manual pertaining to procedures to document, process and approve the payroll, and the distribution of payroll checks and notices to employees.

APPENDIX-MANAGEMENT'S RESPONSE
Miami Northwestern Senior

The principal directed in writing that all daily-paid personnel must indicate their presence on the payroll sheets individually and all hourly personnel must sign time in/out on the Daily Payroll Attendance Sheet. No employee is allowed to document the time and attendance on behalf of another employee.

The payroll clerk was directed to complete leave cards to document absences of all full time employees and to write the type of leave on the Daily Payroll Attendance Sheets. The Principal established a system for the payroll clerk to carefully review the Daily Payroll Attendance Sheets, the working roster and leave cards prior to the final approval. The Business Manager will provide additional support in the reviewing and reconciliation of the Payroll Attendance Sheets, leave cards and the working roster.

The Principal reviewed the proper procedures for reporting leave and temporary duty as well as the required utilization of the Temporary Instructors Daily Payroll Attendance Sheet/Pool and Emergency Substitutes Form (FM-7090).

The principal will cross-reference the sign-in sheets with the leave cards to ensure that all required information has been completed and the temporary instructor assigned for personnel was a result of a request to utilize sick, personal or professional leave.

- 2.1. **Staff should follow established procedures for check distribution.**
- 2.2. **Monitor the payroll distribution process to ensure its efficacy and ascertain that employees sign for their own payroll checks.**

Person(s) Responsible: Principal, Principal's Designee, Payroll Clerk, Check Distributor

Management Response:

We concur with these recommendations. In order to ensure that the established procedures for check distribution and the monitoring of the payroll distribution process are followed, the principal has implemented the following corrective actions and preventative strategies:

A meeting was held with the Check Distributor on September 6, 2007 to review procedures outlined in Chapter 5 of the Payroll Processing Procedures manual relative to distribution of payroll checks. The payroll check distributor was directed to require all employees receiving an actual payroll check to sign the "Payroll Checks/Advices Control Report" next to their name as verification of having received their check. Under no case should one employee be allowed to sign the name of another employee and to receive their check.

E-mail communication and a memorandum were sent on September 6, 2007 to all

APPENDIX-MANAGEMENT'S RESPONSE
Miami Northwestern Senior

faculty and staff informing them of the proper procedures for the distribution of payroll checks.

An Assistant Principal was assigned to review the "Payroll Checks/Advices Control Report" at the end of each pay day to verify that it is properly signed by employees receiving checks and to notify the principal of any discrepancies for corrective action.

Title I Payroll

- 3.1. **Maintain work schedules documenting tasks performed by staff charged to the Title I programs.**
- 3.2. **Ensure that proper funding sources are used to cover payroll expenditures.**
- 3.3. **Review payrolls charges for the Fiscal Year and reverse charges not allowed under Title I guidelines.**

Person(s) Responsible: Principal, Assistant Principal, Business Manager, Payroll Clerk

Management Response:

We concur with these recommendations. The principal has reviewed the proper procedure for hiring employees under Title I Programs to ensure that the payroll expenditures for Title I personnel are charged to the correct account and funding structures. The principal has met with the Business Manager to review the Circular A-87, Payroll Certification Report to ensure that only authorized personnel are hired and paid under Title I programs.

The Principal will continue to meet with the Assistant Principal, Business Manager, and Payroll Clerk monthly to review the FR05-08, Financial Status Report, to ensure that adequate funds are available to support the personnel hired under Title I accounts. The principal will request assistance from the School Improvement Zone Business and Personnel Administrative Director when appropriate.

The principal has established and reviewed procedures with the Assistant Principals, Business Manager, and the Payroll Clerk regarding who should be hired under Title I Programs. All hires will be approved by the principal or his designee with the proper funding structure readily available for review.

The Principal has established procedures and reviewed them with the Assistant Principals to ensure that proper work schedules documenting tasks performed by staff charged to Title I programs and supporting documentation are maintained. The principal will review these work schedules on a periodic basis to ensure that they are accurately maintained.

APPENDIX-MANAGEMENT'S RESPONSE
Miami Northwestern Senior

The principal met with the Business Manager to review the personnel hiring transactions and payroll records in order to ensure that all part-time custodians and security monitors are paid under the designated program structures.

The principal reviewed with the Business Manager the current year Title I payroll transactions to ensure that charges are proper and no reversal of payroll charges are required.

Title I Computer Purchases

4. In the future, staff should limit the use of Title I funds to only those purchases necessary to fulfill the program's needs and tag all applicable equipment with Title I Program labels.

Person(s) Responsible: Principal, Business Manager, Assistant
Principal, Computer Technician

Management Response:

We concur with this recommendation. The Principal will ensure that all equipment purchased with Title I funds is tagged with the proper Title I labels before delivery to different areas of the school. The Principal met with the Assistant Principals, Business Manager, and Computer Technicians to ensure compliance with the guidelines for the use of equipment purchased with Title I funding, as outlined in the Title I Administrative Handbook.

The school has ordered portable security laptop cabinets to transport to the classrooms the laptops that are not being utilized by the students. Additionally, the idle desktop computers have been utilized in existing programs for students and parents.

The principal, with the Assistant Principals, will develop a plan of action to ensure that all equipment purchased is necessary to fulfill programs needs.

Title I Funds Budgeted for Non-Payroll Expenditures

5. School Administration should develop appropriate spending plans for Title I program funds in order to maximize their use.

Person(s) Responsible: Principal, Assistant Principals, Business
Manager, Leadership Team, Purchasing
Clerk, Activities Director

Management Response:

We concur with this recommendation. In the current year, upon receipt of allocated Title I funds, the principal conducted a needs assessment with the faculty and administrative team to determine a priority list of purchases that will support the instructional initiatives of this school.

Additionally, an assistant principal was assigned the responsibility of monitoring all Title I accounts on a monthly basis to ensure that all funds are expended by the established deadlines.

Athletic Department Purchases Made With Internal Funds

- 6.1. Ensure that bidding procedures are being observed.
- 6.2. Prior to authorizing payment with donated funds, ensure that expenditures comply with the intent of the donation.
- 6.3. When donated funds are used for purposes other than those initially intended, obtain prior written approval from the donor for the change.
- 6.4. Follow disbursement procedures and requirements, including cost limitations on merchandise awarded to staff and students and payment of sales tax as applicable.

Person(s) Responsible: Principal, Vice-Principal, Business Manager, Athletic Business Manager, Treasurer, Athletic Director

Management Response:

We concur with these recommendations. The principal has established an Athletic Committee consisting of the Business Manager, Athletic Director, Athletic Business Manager, Activities Director, and Treasurer to meet on a monthly basis to review all donations received and requests for major purchases to ensure compliance with District policies. The principal has reviewed with this committee the sections of the Manual of Internal Fund Accounting pertaining to donations and purchases from the Internal Fund accounts.

The principal directed the Athletic Committee to adhere to all established procedures. The Vice Principal was assigned to meet with the committee to review documentation and give initial approval for purchases. All requests to purchase awards for students will be reviewed by this committee and final approval will be given by the principal.

The principal will ensure that all bid requirements as stipulated in Section II, Chapter 4

APPENDIX-MANAGEMENT'S RESPONSE
Miami Northwestern Senior

of the Manual of Internal Fund Accounting are followed when making Internal Fund purchases. Before signing checks, the principal will ensure that any required bids are included.

The principal will ensure that expenditures comply with the intent of the donation prior to authorizing payment with donated funds. When donated funds are used for purposes other than those initially intended, prior written approval for the change will be obtained from the donor.

School Board procedures and requirements, including cost limitations on merchandise awarded to staff and students, will be followed when disbursing awards and gifts. Prior school board approval will be obtained for award items when unit cost or value exceeds the maximum allowable amount.

The Treasurer was directed to pay all sales taxes in accordance with procedures outlined in Section IV of the Manual of Internal Fund Accounting. Additionally, the Treasurer was also directed to document and retain the distribution of complimentary items (gifts) on the Complimentary Items–Recipient(s) List (FM-6679) as required.

Unlocated Property

7. Ensure that the school properly monitors property.

Person(s) Responsible: Principal, Assistant Principal, Business Manager

Management Response:

We concur with the recommendation. In order to ensure that property control procedures result in the proper location, control and safeguarding of all physical property, the principal implemented the following corrective actions and preventive strategies:

The Principal reviewed and discussed the procedures for properly processing outgoing controlled equipment as outlined in Section III of the Property Control Policies & Procedure Manual with the Assistant Principals and Business Manager.

An assistant principal was assigned to develop a database of the school's inventory of property delineating the physical location of all items. The principal directed the Business Manager to conduct property audits on a quarterly basis and immediately report any discrepancies to the principal. Any missing property will be investigated for immediate corrective action.

In a meeting with the Assistant Principals and the Business Manager, the principal directed that any property being removed from the school site must be documented on the Approval of Off-Campus Use of School Board Property Form (FM-2380). The principal will conduct a general faculty meeting to review the required procedures for

APPENDIX-MANAGEMENT'S RESPONSE
Miami Northwestern Senior

reporting missing property, relocating property and taking equipment off campus.

Thank you for your attention in this matter. Should you have any questions and/or need further clarification, please contact at 305-863-0991.

CEH/mjs

cc: Dr. Geneva K. Woodard
Dr. Jeanethe Thompson

APPENDIX-MANAGEMENT'S RESPONSE
Regional Center IV Administration
Re: Phyllis R. Miller Elementary

MEMORANDUM

March 5, 2008

MANAGEMENT AND COMPLIANCE AUDITS
2008 MAR -5 PM 4:1

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Essie S. Pace, Regional Superintendent
Regional Center IV

SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT
REPORT OF PHYLLIS R. MILLER ELEMENTARY SCHOOL

The following is a response to the findings in the Internal Audit Report of Phyllis R. Miller Elementary School.

RECOMMENDATION

- 1.1. Monitor credit card activities at the school to ensure compliance with District policy.

Department Responsible: Regional Superintendent, Regional Center IV
Administrative Directors, Regional Center IV
Principal

Management Response: In order to prevent the recurrence of similar conditions in future audits with regards to credit card procedures, the Regional Center will implement and provide the following corrective and preventive measures and support to ensure compliance with District policy:

The Regional Center Superintendent and Business Director reviewed with the principal of the school the credit card procedures as outlined in the Purchasing Credit Card Program Policies & Procedures Manual. Additionally, an action plan was identified to be implemented at the school site by the principal, the designee and the secretary/treasurer. The plan included a monthly review of the credit card reconciliation by the Regional Center IV Administrative Directors prior to being submitted to the department of Cost and Business Services for processing.

Should you require additional information, please contact me at 305.541.3358.

cc: Mr. Freddie Woodson
Mr. Jorge L. Garcia
Ms. Cynthia Gracia

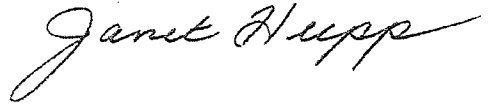
APPENDIX-MANAGEMENT'S RESPONSE
Regional Center V Administration
Re: John A. Ferguson Senior

MEMORANDUM

February 27, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Mrs. Janet S. Hupp, Regional Superintendent
Regional Center V



SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT
OF JOHN A. FERGUSON SENIOR HIGH SCHOOL

The following is a response to relevant findings in the school audit report of John A. Ferguson Senior High School.

RECOMMENDATION

Inappropriate Spending For Faculty Retreats

1.2. Enforce contract-signing procedures in accordance with School Board Rule 6Gx13- 3F-1.01, to prevent principals from entering into agreements not properly authorized by the School Board.

Responsible Departments/School:

Regional Center V Office

Management's Response:

In order to enforce contract-signing procedures in accordance with School Board Rule 6Gx13-3F-1.01, to prevent principals from entering into agreements not properly authorized by the School Board the following corrective actions and preventative strategies will be implemented by the Regional Center V Superintendent.

The Regional Center V Superintendent has reviewed contract-signing procedures in accordance with School Board Rule 6Gx13-3F-1.01 with all Administrative Directors and School Principals. All Principals and Administrative Directors in Regional Center V have acknowledged written receipt of this School Board Rule detailing required contract-signing procedures and have been advised to submit any contracts for review to the Regional Center V Superintendent prior to submission of the contract for approval to the School Board Attorney. All principals were directed in writing to refrain from signing any contracts without securing approval from both Regional Center and the School Board Attorney's office.

Thank you for your attention to this matter. Should you require additional information, please feel free to contact me at 305-595-7022, ext. #2112.

cc: Mr. Freddie Woodson
Ms. Maria T. Gonzalez
Dr. Melanie Fox

APPENDIX-MANAGEMENT'S RESPONSE
Business Operations
Re: John A. Ferguson Senior

MEMORANDUM

March 4, 2008
JAG/M0076
JAG/995-2414

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

THROUGH: Ofelia San Pedro, Deputy Superintendent *OSP*
Office of Business Operations

FROM: Joseph A. Gomez, Assistant Superintendent *JAG*
Procurement Management Services

SUBJECT: SCHOOL AUDIT OF JOHN A. FERGUSON HIGH SCHOOL - 7121

RECOMMENDATION

- 1.3. Consider modifying the approval chain to include departments responsible for managing grants or other funding sources.

Department Responsible:

Business Operations

Management's Response:

The current approval chain for requisitions is hard-coded in the MSAF Purchasing System according to dollar threshold as follows: \$5,999 requires site administrator approval, \$6,000 - \$24,999 Assistant Superintendent or Region Superintendent level, and over \$25,000, Cabinet member approval. Business Operations will work in conjunction with School Operations in developing a formal process to add additional approvers to requisitions as required.

RECOMMENDATION

- 1.4. Schools and district offices should not approve purchase orders to send monies to direct-support organizations such as MECA.

Department Responsible:

Business Operations

Management's Response:

The vendor number corresponding to MECA has been deactivated in the MSAF Purchasing System at the request of Schools of Choice. This action will not allow any further transactions with this direct-support organization.

JAG:cri

cc: Mr. Barry S. Meltz
Ms. Barbara D. Jones
Mr. Robert Tyndall

APPENDIX-MANAGEMENT'S RESPONSE
School Operations
Re: John A. Ferguson Senior

MEMORANDUM

March 5, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Mr. Freddie Woodson, Associate Superintendent
School Operations

SUBJECT: **ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF JOHN A. FERGUSON SENIOR HIGH SCHOOL**

The following is a response relevant to the findings in the school audit report of John A. Ferguson Senior High School:

RECOMMENDATIONS

Inappropriate Spending For Faculty Retreats

- 1.1. With regard to the former Principal, currently serving as Director in Regional Center VI, consider the facts and circumstances disclosed by our audit and take appropriate administrative action.**

Responsible Department: **School Operations**

Management's Response: In response to the finding to inappropriate spending for faculty retreats, the District exercised their right to submit the audit report to the appropriate authorities for further investigation and appropriate administrative actions have been upheld. At this time, this matter is under investigation with the Inspector General and further information cannot be disclosed.

- 1.2. Adhere to contract-signing procedures in accordance with School Board Rule 6Gx13- 3F-1.01, to prevent principals from entering into agreements not properly authorized by the School Board.**

Responsible Department: **School Operations**

Management's Response: In order to prevent the recurrence of similar conditions in future audits with regards to adherence to contract signage requirements, a directive to all Regional Centers has been issued imposing a receipt of acknowledgement from all principals of School Board Rule 6Gx13-3F-1.01 Contracts and Documents with detailed required procedures for entering into agreements; and School Board Rule 6Gx13-3C-1.10 Purchase Approval that requires any purchase in excess of \$25,000.00 to be approved by The School Board of Miami-Dade County.

- 1.3 Consider modifying the approval chain to include departments responsible for managing grants or other funding sources.**

Responsible Department: **School Operations**

Management's Response: The approval system currently in place specifically delineates amounts of expenditures along with the respective approvers which are hard coded in MSAF. The addition of department-specific approvers is to be considered a collaborative effort between School Operations and Business Operations. An additional tier of approvers specific to the funding source is to be added to

APPENDIX-MANAGEMENT'S RESPONSE
School Operations
Re: John A. Ferguson Senior

ensure compliance with grant specifications. Regional Centers along with school site principals will be directed to include the approvers specified for the funding source. The e-communication will be utilized to inform principals and selected personnel of any revisions to the approval chain for expenditures and their respective departments. In addition, this directive will be delineated in the Regional Centers' Administrative Handbook and in the Opening of Schools' 08/09 Handbook.

If you have any questions or need further information, please contact me at 305-995-4242.



FW

FW:CG
M#247

cc: Regional Superintendents

APPENDIX-MANAGEMENT'S RESPONSE
Schools of Choice
Re: John A. Ferguson Senior

MEMORANDUM

February 22, 2008

MANAGEMENT AND COMPLIANCE AUDITS
2009 FEB 25 AM 10:00

TO: Mr. Allen M. Vann, Chief Auditor
Office of Management and Compliance Audits

FROM: Ms. Helen S. Blanch, Administrative Director
Specialized Programs - Schools of Choice *HSB*

THROUGH: Mr. Michael Bell, Assistant Superintendent
Specialized Programs *M Bell*

SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT
OF JOHN A. FERGUSON SENIOR HIGH SCHOOL

The following administrative response is based on the recommendations of the Miami-Dade County Public Schools (M-DCPS) Office of Audit and Compliance Management following the audit of John A. Ferguson Senior High School's retreat-related expenditures, the Magnet Educational Choice Association (MECA).

RECOMMENDATION

- 1.4. Schools and district offices should not approve purchase orders to send monies to direct-support organizations such as MECA.

Responsible Department:

Schools of Choice

Management's Response:

On behalf of the Board of Directors of the Magnet Educational Choice Association, Inc (MECA), Mr. Richard de Agüero, MECA Executive Director, through a written request to Mr. Joseph A. Gomez, Assistant Superintendent, Procurement Management Services, has asked for MECA's name to be removed from the "Official Vendors" listing for Miami-Dade County Public Schools. As such, purchase orders to MECA will no longer be possible.

This action, however, will insure that only one direct-support organization, MECA, has been covered as this is the only one within the purview of the Schools of Choice office. This action should probably be initiated for all direct-support organizations, as it is difficult to identify them as such through the existing purchase order structure.

cc: Dr. Lourdes C. Rovira

APPENDIX-MANAGEMENT'S RESPONSE
Office of Human Resources
Re: John A. Ferguson Senior

MEMORANDUM

March 4, 2008

MANAGEMENT AFFAIRS
OFFICE OF HUMAN RESOURCES
2008 MAR -4 PM 1:12

TO: Mr. Allen M. Vann, Chief Auditor
Audit & Investigative Affairs

FROM: Vera A. Hirsh, Assistant Superintendent *VAH*
Office of Human Resources, Recruitment, and Performance Management

SUBJECT: REVISED - AUDIT RESPONSE
JOHN A. FERGUSON SENIOR HIGH SCHOOL

4.1 Non-Compliance Issues Regarding Teacher Certification

Management Response

In order to assist principals in the staffing of schools, the Office of Instructional Staffing accepted a CF-29 Form in lieu of an official transcript because the transcript would not be issued by the college for at least another month. The CF-29, which is used to verify completion of degree requirements, had to be signed by the registrar with the school seal from the college stating that the applicant has completed all requirements for the degree to be posted. That practice was in place the time this teacher was hired and the certificate was issued after the school year ended. In order to comply with good business practices, this process was stopped at the beginning of the 2007-2008 school year.

4.2 The Out-of-Field Board Item is presented each month for approval by the School Board. The data in the board item is a snapshot retrieved from the Integrated Student Information System (ISIS) on the day report is generated. The dynamics of M-DCPS teacher turnover, timelines for submission of agenda items and assignment of teachers to students for Full-time Equivalent (FTE) Week requires that this report be generated approximately 3 weeks prior to each Board meeting. The district is at the beginning of the planning stages of ERP. However, ERP will not be linked to ISIS. Staff is working on a system that will assist in garnering information on a real-time basis.

cc: Ms. Mariaelena Vidal
Ms. Charlene Burks

VAH:cb
M195

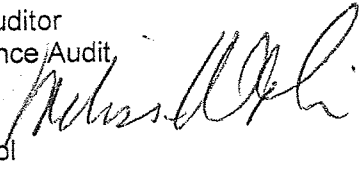
APPENDIX-MANAGEMENT'S RESPONSE
Property Losses Memorandum
Palm Springs Middle

MEMORANDUM

March 5, 2008

TO: Mr. Allen M. Vann, Chief Auditor
Management and Compliance Audit,

FROM: Melissa C. Wolin, Principal
Palm Springs Middle School



SUBJECT: THEFT OF PROPERTY AT PALM SPRINGS MIDDLE SCHOOL \$20,898

Please accept this memorandum as an explanation for the theft, which occurred on **October 02, 2006** sometime over the long week-end. This Plant Security Report has the SPAR # M02825. Many factors compromised security of the stolen items. Due to construction taking place at the school, as well as the closed circuit TV cameras not being installed yet, these items were stolen from a computer lab in the school. The police investigated, and they thought the thieves left through a back door in the room. The camera installation was not complete and so the thieves knew they were not being watched.

The building was entered at night. Ten laptops were stolen out of mobile lab 2 that was being stored in that room. There were also three desktop computers taken as well as a projector. The teacher's desk was also broken into and that is where the key to the mobile lab was stored. The teacher's personal palm pilot was also taken. All items have now been secured correctly.

This part of the memorandum is an explanation for the theft, which occurred on **October 09, 2007**. Someone entered building number 3, rooms 54 and 61. This Plant Security Report has the SPAR # N03474. The police investigated, and found that the window in room 54 had been pried open and the thieves entered the building through that room. They were seen on camera; however they were wearing black ski masks so they could not be identified. The camera installation was complete however the motion sensors had not yet been installed. The thieves knew they were being watched, therefore the need for the ski masks.

The building was entered at night sometime over the weekend. A lap top was taken from room 61 after the thieves had broken into the AV cart stored in there. The lock on the AV cart was broken and the AV cart pried open. A projector was taken from room 54. All items had been secured correctly, however further measures are now being taken to prevent such thefts in the future

Since these thefts, several measures have been put in place to discourage events like this from happening again. The teachers and custodians have been mandated to make sure to double check their rooms each night before leaving, making sure all rooms are locked. The surveillance camera project has been completed and motion detectors have been placed in each hallway throughout the school

APPENDIX-MANAGEMENT'S RESPONSE
Property Losses Memorandum
Palm Springs Middle

We immediately relocated all new items being delivered to the school to the secure room in the media center at the school as well as all the transportable items in room 6 (one of the places the theft too place). Other mobile labs have been moved to teacher's classrooms for use with the students and are locked and secured each afternoon before the teacher leaves their classroom. Our School Resource Officer is aware of the situation, and has special watch on the building. With the construction being phased out, the cameras in place, the motion detectors in place, and extra measures to check and double check the classrooms are locked, all doors and classrooms are more secure.

If you need further assistance please do not hesitate to contact me.

cc: Marcos Moran, Regional Superintendent
Neraida Smith, Administrative Director
Jennifer Andreu, Administrative Director
Maria T. Gonzalez, Asst. Chief Management & Compliance Audit

The School Board of Miami-Dade County, Florida, adheres to a policy of nondiscrimination in employment and educational programs/activities and programs/activities receiving Federal financial assistance from the Department of Education, 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 sex 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.

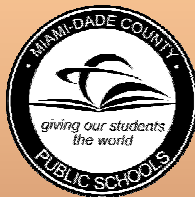
Florida Educational Equity Act (FEEA) - prohibits discrimination on the basis of race, gender, national origin, marital status, or handicap against a student or employee.

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.

School Board Rules 6Gx13- 4A-1.01, 6Gx13- 4A-1.32, and 6Gx13- 5D-1.10 - prohibit harassment and/or discrimination against a student or employee on the basis of gender, race, color, religion, ethnic or national origin, political beliefs, marital status, age, sexual orientation, social and family background, linguistic preference, pregnancy, or disability.

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.

**INTERNAL AUDIT REPORT
SELECTED SCHOOLS
MARCH 2008**



MIAMI-DADE COUNTY PUBLIC SCHOOLS
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>