

INTERNAL AUDIT REPORT

Property and Inventory Audits of Selected Locations **2014-15**



**To be presented to the:
Audit Committee
on
September 4, 2014**

**The School Board of Broward County, Florida
on
October 21, 2014**

**by
The Office of the Chief Auditor**



Broward County Public Schools

The School Board of Broward County, Florida

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Office of the Chief Auditor
Patrick Reilly, Chief Auditor
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August 28, 2014

Members of The School Board of Broward County, Florida
Members of The School Board Audit Committee
Robert W. Runcie, Superintendent of Schools

Ladies and Gentlemen:

We have performed a Review of the Property and Inventory of selected locations, pursuant to The Rules of the Florida Administrative Code, Section 69I-73, and School Board Policy 1002.1.

Audits of Property and Inventory require that we account for all of the Property and Inventory charged to the locations. In order to complete this task, we have reviewed all property and inventory records disclosed from District accounts and made a determination as to the status of each item. This disposition may include:

- items which are at the location and are accounted for,
- items which were not available for review prior to the issuance of this report,
- items which may have been stolen and are supported by the proper District forms,
- items that have been transferred from one location to another and are supported by the proper District forms, and
- items which have been declared surplus or obsolete and are supported by the proper District forms.

We conducted our audits in accordance with generally accepted Government Accounting Standards issued by the Comptroller of the United States.

Our property audits indicated that fifty eight (58) locations in the report complied with prescribed policies and procedures. There were seven (7) locations that contained audit exceptions consisting of unaccounted for property and the failure to follow some prescribed rules.

We wish to express our appreciation to the administration and staff of the various departments for their cooperation and courtesies extended during our audits.

Sincerely,

Patrick Reilly, CPA
Chief Auditor

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PROPERTY AUDIT REPORT

AUTHORIZATION

The Rules of the Florida Administrative Code, Section 69I-73, require that each custodian shall ensure that a complete physical inventory of all property is taken at least once each fiscal year. Each custodian shall ensure that a complete physical inventory of all property under the control of the custodian or custodian's delegate is taken whenever there is a change of custodian or custodian's delegate. In accordance with School Board Policy 1002.1 and the Audit Plan for The Office of the Chief Auditor, the inventories of the locations in the District that have been audited are presented in Section I of this report. School Board Policy 3204 – Property Accountability and Responsibility states, “The Board designates that Principals shall be the custodians of property at schools. Directors shall be the custodians of property for the County Support Services Departments.” Rule 1 states “**All physical inventories shall be conducted by the Office of the Chief Auditor’s Property Audits Division.**”

SCOPE, OBJECTIVES AND METHODOLOGY

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures represented on property records. We have reviewed all property and inventory records disclosed from District accounts and made a determination as to the status of each of the items. This disposition may include:

- items which are at the location and are accounted for,
- items which were not available for review prior to the issuance of this report,
- items which may have been stolen and are supported by the proper documentation and District forms,
- items that have been transferred from one location to another and are supported by the proper District forms,
- items which have been declared surplus or obsolete and are supported by the proper District forms.

Compliance

We tested compliance with policies and procedures prescribed by the School Board Policies and Business Practice Bulletin 0-100 Procedure for Property & Inventory Control. The results of our tests of compliance indicated some locations did not comply with some policies and procedures established in the sources identified above. Noncompliance items are reported in **Section I** and **Section III** of this report.

Property Control Structure

In planning and performing our examinations, we obtain an understanding of the:

- internal property control structure established by the administration.
- assessed level of controlled risk to determine the nature, timing, and extent of substantive tests for compliance with applicable laws, administrative rules and district policies; including the safeguarding of assets.

A material weakness is a reportable condition in which the design or operation of one or more internal property control structure elements does not reduce the risk of material errors or irregularities from occurring. As a result, it would be extremely difficult for employees to recognize errors in the normal course of performing their assigned functions. Reportable internal control weaknesses are noted in **Section I** and **Section III** of this internal property audit report.

Our evaluation of the internal control structure does not necessarily disclose all matters that might be reportable conditions. Thus, all material weaknesses may not be identified.

Property Audit Exceptions

In order to establish reporting parameters and afford the locations some latitude in monitoring their assets, we set thresholds of approximately one (1) percent of the total property inventory historical cost. The District does not track depreciation for each capital asset. The Office of the Chief Auditor (OCA) has used the following table, provided by the Director of Accounting & Financial Reporting (**AFRD**), to determine the total accumulated depreciation of assets which have not been accounted for.

• Computers, Printers	5 Years
• Band Instruments	7 Years
• Office Equipment	5 – 20 Years
• Audio/Visual Equipment	6 – 8 Years
• Vocational Equipment	7 – 20 Years
• Other	From 5 to 20 Years

The Office of the Chief Auditor reported no property exceptions for locations with an aggregate historical value, of items unaccounted for, falling below the designated 1% threshold unless significant process control weaknesses have been identified. As of July 1, 2004, Florida State Statute 274.02, changed the value of capital assets to be recorded and monitored from \$750 to \$1,000. **The District administration requires follow-up verification of all items not accounted for during the physical audit with a historical cost of \$1,000 or more.** Subsequently, location administrators must designate the location of recovered individual assets by room/fish number or demonstrate activity on the appropriate District approved forms.

Unaccounted / Found Items

While conducting the audit, there are instances in which items are determined to be unaccounted for. When the Office of the Chief Auditor and the location's staff agree that the item(s) is not accounted for, the asset is moved to a Missing List. This item will remain designated on the Missing List until the item is located and reactivated by **Accounting & Financial Reporting Department (AFRD)**. If the item is not reactivated after two (2) years, the item(s) is removed from the location's active list of property records.

In addition to having items which are not accounted for, the Office of the Chief Auditor issues a final audit report to the property custodian, identifying the final discrepancy list as well as outlining any material weaknesses associated with the location's inventory control. A copy of the final discrepancy report will be forwarded to AFRD in order to amend the property records as deemed appropriate. For any new/found tangible personal property listed on the final audit discrepancy report with a historical cost/estimated value of \$1,000 or more, the location must forward a **03290** Equipment Acquisition Form signed by the property custodian with invoices or supported estimated values authorizing AFRD to add these property items to the Master File of Capital Assets database.

Summary of Property and Inventory Review for Fiscal Year 2014-15

The following report discloses the audits for forty seven (47) schools and eighteen (18) department locations. These audits were finalized between June 10, 2014 and August 25, 2014. For this report, seven (7) locations had audit exceptions. A summary of this report notes that:

- For the 65 locations, 37,217 items were listed in the property records at a historical cost of \$54,133,358.
- For the 65 locations included in this report, a total of 162 items could not be accounted for with a historical cost of \$270,175.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
The Office of the Chief Auditor
Property Audits

The following table presents a summary of the property and inventory audits that were finalized during the period **June 10, 2014 and August 25, 2014**. For any location that received an exception, we have included a detailed listing of the items that were unaccounted for and the administration's response.

Area	Name	Total Items	Historical Cost	Items Not Accounted For (INAF)	Historical Cost (INAF)	No Exception/ Exception	Page No.
Dept	9514 Official School Board Records	27	\$49,208	0	0	No Exception	
Dept	9541 Diversity, Prevention & Intervention	135	\$216,109	4	\$6,600	Exception	13-17
Dept	9654 Personnel Records	80	\$199,075	0	0	No Exception	
Dept	9657 Employee & Labor Relations	28	\$39,323	0	0	No Exception	
Dept	9675 Athletics & Student Activities	12	\$26,247	0	0	No Exception	
Dept	9703 Budget	118	\$204,939	2	\$3,221	Exception	18-22
Dept	9706 Payroll	54	\$141,058	0	0	No Exception	
Dept	9776 Instruction & Intervention	151	\$300,029	12	\$29,088	Exception REPEAT	23-30
Dept	9779 Early Childhood Education	276	\$650,234	2	\$3,605	No Exception	
Dept	9780 Exceptional Student Education	1,086	\$2,530,506	45	\$84,039	Exception REPEAT	31-39
Sub Total This Page		1,967	\$4,356,728	65	\$126,553	6 No Exceptions 4 Exceptions	

Area	Name	Total Items	Historical Cost	Items Not Accounted For (INAF)	Historical Cost (INAF)	No Exception/ Exception	Page No.
Dept	9805 Student Services	315	\$426,897	0	0	No Exception	
Dept	9807-9830-9831 Title 1, Migrant & Special Programs	199	\$336,638	0	0	No Exception	
Dept	9808 Exceptional Student Education & Support Services	32	\$50,974	0	0	No Exception	
Dept	9812 Innovative Programs	64	\$129,096	0	0	No Exception	
Dept	9818 Psychological Services	299	\$501,061	1	\$1,343	No Exception	
Dept	9826 Coordinated Student Health Services	52	\$86,263	2	\$2,997	Exception	40-44
Dept	9854 Literacy	46	\$84,740	2	\$2,845	Exception	45-50
Dept	9863 Student Assessment & Research	106	\$253,152	0	0	No Exception	
School	0101 Dania Elementary	501	\$749,137	0	0	No Exception	
School	0111 Hollywood Hills Elementary	546	\$761,395	0	0	No Exception	
School	0151 Riverland Elementary	530	\$706,577	1	\$1,396	No Exception	
School	0221 Croissant Park Elementary	472	\$674,650	3	\$4,047	No Exception	
School	0452 Whiddon-Rogers Education Center	1,497	\$1,691,405	1	\$1,021	No Exception	
Sub Total This Page		4,659	\$6,451,985	10	\$13,649	11 No Exceptions 2 Exceptions	

Area	Name	Total Items	Historical Cost	Items Not Accounted For (INAF)	Historical Cost (INAF)	No Exception/ Exception	Page No.
School	0521 North Andrews Gardens	734	\$1,186,434	0	0	No Exception	
School	0581 Margate Middle	912	\$1,211,541	4	\$5,376	No Exception	
School	0631 Westwood Heights Elementary	692	\$1,099,746	2	\$3,204	No Exception	
School	0721 Driftwood Elementary	454	\$646,612	0	0	No Exception	
School	0751 Pompano Beach Elementary	456	\$668,815	0	0	No Exception	
School	0761 Meadowbrook Elementary	477	\$690,240	33	\$48,822	Exception	51-57
School	0811 Broadview Elementary	774	\$1,170,943	3	\$3,255	No Exception	
School	0831 Lake Forest Elementary	592	\$920,166	0	0	No Exception	
School	0881 New River Middle	816	\$1,278,762	0	0	No Exception	
School	0941 Plantation Elementary	581	\$831,655	1	\$1,457	No Exception	
School	1071 William Dandy Middle	882	\$1,108,323	0	0	No Exception	
School	1211 Cooper City Elementary	645	\$401,648	1	\$1,210	No Exception	
School	1221 Pembroke Pines Elementary	531	\$772,237	2	\$4,165	No Exception	
Sub Total This Page		8,546	\$11,987,122	46	\$67,489	12 No Exceptions 1 Exception	

Area	Name	Total Items	Historical Cost	Items Not Accounted For (INAF)	Historical Cost (INAF)	No Exception/ Exception	Page No.
School	1241 Northeast High	1,482	\$2,084,913	6	\$8,489	No Exception	
School	1281 Nova High	1,391	\$1,926,110	2	\$3,569	No Exception	
School	1391 Lauderhill 6-12	973	\$1,431,418	4	\$6,586	No Exception	
School	1611 Martin Luther King Elementary	564	\$831,707	3	\$3,875	No Exception	
School	1741 Boyd Anderson High	1,366	\$2,141,092	11	\$18,715	No Exception	
School	1781 Cypress Elementary	606	\$896,292	3	\$4,136	No Exception	
School	1881 Pines Middle	1,092	\$1,483,078	0	0	No Exception	
School	1951 Park Ridge Elementary	337	\$502,461	0	0	No Exception	
School	2021 Glades Middle	1,384	\$2,138,545	6	\$8,088	No Exception	
School	2121 James S. Rickards Middle	666	\$1,126,017	1	\$1,469	No Exception	
School	2551 Coral Springs Elementary	567	\$835,211	0	0	No Exception	
School	2801 Davie Elementary	478	\$770,283	0	0	No Exception	
School	2871 Sea Castle Elementary	564	\$752,429	0	0	No Exception	
Sub Total This Page		11,470	\$16,919,556	36	\$54,927	13 No Exceptions	

Area	Name	Total Items	Historical Cost	Items Not Accounted For (INAF)	Historical Cost (INAF)	No Exception/ Exception	Page No.
School	2971 Silver Lakes Middle	763	\$1,131,149	1	\$1,427	No Exception	
School	3001 Walter C. Young Middle	1,009	\$1,301,715	0	0	No Exception	
School	3061 Sandpiper Elementary	542	\$759,806	1	\$1,681	No Exception	
School	3121 Quiet Waters Elementary	915	\$1,075,910	0	0	No Exception	
School	3171 Park Springs Elementary	528	\$786,530	0	0	No Exception	
School	3221 Charles Drew Elementary	409	\$616,355	0	0	No Exception	
School	3301 Endeavour Learning Center	398	\$551,889	0	0	No Exception	
School	3401 Sawgrass Elementary	637	\$797,924	0	0	No Exception	
School	3491 Silver Palms Elementary	549	\$780,566	0	0	No Exception	
School	3531 Fox Trail Elementary	983	\$1,181,165	0	0	No Exception	
School	3571 Panther Run Elementary	501	\$754,913	1	\$1,258	No Exception	
School	3581 Silver Shores Elementary	765	\$1,079,285	0	0	No Exception	
School	3631 Parkside Elementary	660	\$968,916	0	0	No Exception	
Sub Total This Page		8,659	\$11,786,123	3	\$4,366	13 No Exceptions	

Area	Name	Total Items	Historical Cost	Items Not Accounted For (INAF)	Historical Cost (INAF)	No Exception/ Exception	Page No.
School	3701 Rock Island Elementary	485	\$770,185	0	0	No Exception	
School	3761 Park Lakes Elementary	880	\$1,102,872	2	\$3,191	No Exception	
School	3771 Challenger Elementary	551	\$758,787	0	0	No Exception	
Sub Total This Page		1,916	\$2,631,844	2	\$3,191	3 No Exceptions	
Sub Total Page 4		1,967	\$4,356,728	65	\$126,553	6 No Exceptions 4 Exceptions	
Sub Total Page 5		4,659	\$6,451,985	10	\$13,649	11 No Exceptions 2 Exceptions	
Sub Total Page 6		8,546	\$11,987,122	46	\$67,489	12 No Exceptions 1 Exception	
Sub Total Page 7		11,470	\$16,919,556	36	\$54,927	13 No Exceptions	
Sub Total Page 8		8,659	\$11,786,123	3	\$4,366	13 No Exceptions	
TOTAL		37,217	\$54,133,358	162	\$270,175	58 No Exceptions 7 Exceptions	

Audits Performed by:

**Bryan Erhard
Ivette Lima
Bruce Norris
Stephanie Ormsby
Rhonda Schaefer**

Audits Processed by:

Gail Mouzon-Williams

Audits Managed by:

Mark Magli

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
The Office of the Chief Auditor
Property Audits

During the property audit at the following locations, all assets were reconciled.

DEPARTMENT NAME

9514 Official School Board Records

9654 Personnel Records

9657 Employee & Labor Relations

9675 Athletics & Student Activities

9706 Payroll

9805 Student Services

9807-9830-9831 Title 1, Migrant & Special Programs

9808 Exceptional Student Education & Support Services

9812 Innovative Programs

9863 Student Assessment & Research

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
The Office of the Chief Auditor
Property Audits

During the property audit at the following locations, all assets were reconciled.

SCHOOL NAME

0101 Dania Elementary

0111 Hollywood Hills Elementary

0521 North Andrews Gardens

0721 Driftwood Elementary

0751 Pompano Beach Elementary

0831 Lake Forest Elementary

0881 New River Middle

1071 William Dandy Middle

1881 Pines Middle

1951 Park Ridge Elementary

2551 Coral Springs Elementary

2801 Davie Elementary

2871 Sea Castle Elementary

3001 Walter C. Young Middle

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
The Office of the Chief Auditor
Property Audits

During the property audit at the following locations, all assets were reconciled.

SCHOOL NAME

3121 Quiet Waters Elementary

3171 Park Springs Elementary

3221 Charles Drew Elementary

3301 Endeavour Learning Center

3401 Sawgrass Elementary

3491 Silver Palms Elementary

3531 Fox Trail Elementary

3581 Silver Shores Elementary

3631 Parkside Elementary

3701 Rock Island Elementary

3771 Challenger Elementary

Department Name: Diversity, Prevention & Intervention 9541
Director Name: Mr. Amalio Nieves

Address: 1400 NW 14th Court,
Fort Lauderdale, Florida 33311

Total Number of Items in Inventory:	135
Total Dollar Cost of Items in Inventory:	\$216,109
Total Number of Items Unaccounted for:	4
Total Dollar Cost of Items Unaccounted for:	\$6,600
Total Net Value of Items Unaccounted for:	0

The details of Business Practice Bulletin O-100 should be reviewed with all staff.

Self-Inventories

The Office of the Chief Auditor suggests "hands on all" item reconciliation be completed at all schools/departments to ensure an accurate physical accounting of site designated assets by the staff.

All locations are minimally required to conduct semi-annual inventories to ensure the District's property records are accurately maintained and updated. This includes the high-risk property items maintained within the secondary database established by the location (Business Practice Bulletin O-100).

A database for tracking lower valued items was not being maintained at the location prior to the commencement of this property audit.

Although tangible personal property purchases with a unit value less than \$1,000 are not maintained on the District's Master File of Capital Assets database, property custodians should take appropriate precautions to safeguard and track all tangible personal property, especially high risk items such as computers, cameras, LCD Projectors, custodial equipment, and musical instruments. Locations must maintain records of these high risk items within a secondary, site-based tracking database. The property custodian will determine the format for maintaining the information contained in the location's secondary, site-based tracking database (Excel, FileMaker Pro, etc.) unless otherwise mandated by the respective SLT administrator (Business Practice Bulletin O-100).

(Diversity, Prevention & Intervention continued)

Purchasing Tangible Personal Property

Some items were not received with the required manufacturer information as mandated. As a result of the audit, those records will be modified to include the serial numbers.

All non-consumable tangible personal property with a unit value of \$1,000 or greater must be ordered through the District's Purchasing system utilizing appropriate coding (Business Practice Bulletin O-100).

When tangible personal property is received on-line, the individual must process the goods receipt for each item separately and record the unique serial number for each property item within the system. In the event an item does not physically possess a manufacturer's serial number, the new purchase documentation should be maintained in the site's property binder for future reconciliation and subsequent application of a District assigned serial number for tracking. The word "none" should be utilized when receiving those items online that do not have a manufacturer assigned serial number (Business Practice Bulletin O-100).

Safeguarding Assets

Four items remain unaccounted for. Procedures for securing and safeguarding tangible personal property should be reviewed with staff.

All locations must take appropriate measures to ensure the safekeeping of all tangible personal property. This includes securing all high-theft equipment during hours of non-operation.

To the extent possible, tangible personal property should be designated to individual staff that is requested to oversee the equipment and report any loss or theft to appropriate administration in "real-time". Additionally, tangible personal property that is not utilized on a day-to-day basis should be stored in a secured location, and the appropriate staff should physically verify this property as needed to provide the most effective means of securing tangible personal property (Business Practice Bulletin O-100).

**The Office of the Chief Auditor
Property Division
2014-15**

Items not accounted for: **Diversity, Prevention & Intervention 9541**

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1	09-06945	DELL, LAPTOP D430 W/CD-RW/DVD 12.1" DISPLAY	\$ 2,193.00
2	09-06370	DELL, LAPTOP E6400 W/DVD+/-RW 14.1" DISPLAY	\$ 1,491.00
3	08-10834	DELL, LAPTOP D630, W/DVD-RW/14.1" DISPLAY	\$ 1,458.00
4	08-82333	DELL, LAPTOP D630 W/DVD-RW/14.1" DISPLAY	\$ 1,458.00

Total Historical Cost of Property unaccounted for as of June 26, 2014	\$ 6,600.00
[1]Total Accumulated Depreciation as of June 26, 2014	\$ 6,600.00
Net Value of Property considered to be unaccounted for as of June 26, 2014	\$ -

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
MICHAELLE VALBRUN-POPE
EXECUTIVE DIRECTOR
STUDENT SUPPORT INITIATIVES**

August 7, 2014

TO: Patrick Reilly
Chief Auditor

FROM: Michaelle Valbrun-Pope, Executive Director
Student Support Initiatives 

SUBJECT: **PROPERTY AUDIT DIVERSITY, PREVENTION & INTERVENTION, 9541**

I have reviewed the audit response from the Diversity, Prevention & Intervention Department and discussed all findings with the Director of the Department. I approve the corrective action plan outlined to address the identified issue. Processes and procedures for property control have been reviewed and security of building locations where property is stored has been upgraded.

MVP:tj
Attachment

Sent 7/9/14

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
AMALIO C. NIEVES
DIRECTOR
DIVERSITY, PREVENTION & INTERVENTION

MEMORANDUM

July 7, 2014

TO: Michaelle Valbrun-Pope
Executive Director, Student Support Initiatives *MP*

FROM: Amalio C. Nieves *acn*
Director, Diversity, Prevention & Intervention (#9541)

**SUBJECT: RESPONSE TO AUDIT REPORT ON PROPERTY INVENTORY
FISCAL YEAR 2014-15**

After a comprehensive review of the audit report and processes for property inventory for Diversity, Cultural Outreach & Prevention (DCO&P), we identified the following as a gap:

- The four missing laptops were stored in an unlocked cabinet. Although the room within which these cabinets were located was locked, it provided limited access to District personnel with keys.

As a result, DCO&P has identified the following corrective actions to be implemented in response to the audit of April 24, 2014:

- The Business Practice Bulletin O-100 will be reviewed with all staff.
- Frequent physical checks will be conducted of all inventory items, including high risk items valued less than \$1,000.
- Additional precautions will be taken by staff to ensure that all tangible personal property and high risk items under \$1,000 are safeguarded, and that unused property is secured in a locked cabinet or closet.
- A separate Filemaker database has been created to maintain assets valued less than \$1,000.
- A change has been made to the identified staff overseeing equipment and reporting for DCO&P
- Staff identified to oversee equipment and report losses to administration will do so in a timely manner.

Should you have any additional questions, please contact me at 754-321-1655.

ACN:jw

Department Name: Budget 9703
Director Name: Mr. Oleg Gorokhovsky

Address: 600 SE 3rd Avenue
Fort Lauderdale, Florida 33301

Total Number of Items in Inventory:	118
Total Dollar Cost of Items in Inventory:	\$204,939
Total Number of Items Unaccounted for:	2
Total Dollar Cost of Items Unaccounted for:	\$3,221
Total Net Value of Items Unaccounted for:	0

The details of Business Practice Bulletin O-100 should be reviewed with all staff.

Self-Inventories

The Office of the Chief Auditor suggests "hands on all" item reconciliation be completed at all schools/departments to ensure an accurate physical accounting of site designated assets by the staff.

All locations are minimally required to conduct semi-annual inventories to ensure the District's property records are accurately maintained and updated. This includes the high-risk property items maintained within the secondary database established by the location (Business Practice Bulletin O-100).

Monitoring Record Information

Some record modifications will be made to include serial number corrections and address unprocessed transfers as a result of the audit.

Safeguarding Assets

Procedures for securing and safeguarding tangible personal property should be reviewed with all staff members.

All locations must take appropriate measures to ensure the safekeeping of all tangible personal property. This includes securing all high-theft equipment during hours of non-operation.

To the extent possible, tangible personal property should be designated to individual staff that is requested to oversee the equipment and report any loss or theft to appropriate administration in "real-time". Additionally, tangible personal property that is not utilized on a day-to-day basis should be stored in a secured location, and the appropriate staff should physically verify this property as needed to provide the most effective means of securing tangible personal property (Business Practice Bulletin O-100).

(Budget 9703 continued)

Procedures relating to the recording and execution of the removal of unusable obsolete equipment should be strengthened. The Property Custodian must certify the accuracy of prepared documentation prior to the request for removal by the approved District agency (B-stock Warehouse). Record modifications should be tracked via PNI Optispool 954 A, B & C Reports to ensure that timely and accurate processing occurs via the Accounting and Financial Reporting-Capital Assets Department.

**The Office of the Chief Auditor
Property Division
2014-15**

Items not accounted for:

Budget 9703

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1	06-13031	PRINTER, LEXMARK T640N B/W LASER	\$ 1,198.00
2	05-42178	PROJECTOR, EPSON POWERLITE 740	\$ 2,023.00

Total Historical Cost of Property unaccounted for as of June 26, 2014	\$ 3,221.00
[1]Total Accumulated Depreciation as of June 26, 2014	\$ 3,221.00
Net Value of Property considered to be unaccounted for as of June 26, 2014	\$ -

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
OFFICE OF THE CHIEF FINANCIAL OFFICER

I. Benjamin Leong, CPA

Chief Financial Officer

Telephone: 754-321-1990

Facsimile: 754-321-1999

July 17, 2014

TO: Patrick Reilly
Chief Auditor

FROM: I. Benjamin Leong
Chief Financial Officer

SUBJECT: Budget Office Response – Audit Report on Property Inventory FY 2014-15

Attached please find the Budget Office response to the above referenced audit.

IBL:ntp

The School Board of Broward County, Florida
BUDGET OFFICE

July 14, 2014

TO: I. Benjamin Leong, Chief Financial Officer
Office of the Financial Officer

FROM: Oleg Gorokhovsky, Director
Budget Office



SUBJECT: **RESPONSE TO AUDIT REPORT ON PROPERTY INVENTORY –
FISCAL YEAR 2014-15**

The Budget Office is in receipt of the memorandum from the Office of the Chief Auditor regarding our Property Inventory Audit Report.

During the audit, two items were identified as missing. Following are the explanations for these items:

Item 06-13031 – Surplused items were picked up by B-Stock personnel when the department was relocated from the Sawgrass site in August 2013. Item 06-13031 was one of those items and should have been removed from the department's inventory at that point in time. However, the incorrect BPI number was listed on the original surplus sheet (BPI #03-22442), therefore the item remained listed on the inventory inaccurately.

Item 05-42178 – Custodian responsible for this item is no longer with the District.

Since the completion of the audit, the Budget Office has strengthened its inventory controls and procedures in order to mitigate any future inventory discrepancies. The following actions have been taken: an additional Property Custodian has been assigned to oversee the department's inventory; effective immediately inventory reviews are performed on a quarterly basis; staff has been reminded of the importance of inventory controls and will be required to attend an in-service in August 2014 to review the procedures detailed in Business Practice O-100.

OG/sc

Department Name: Instruction & Intervention 9776
Executive Director Name: Dr. Marie DeSanctis (Former; April 16, 2014)
Chief Academic Officer: Mr. Brian Kingsley (Appointed; July 1, 2014)

Address: 600 SE 3rd Avenue
Fort Lauderdale, Florida 33301

Total Number of Items in Inventory:	151
Total Dollar Cost of Items in Inventory:	\$300,029
Total Number of Items Unaccounted for:	12
Total Dollar Cost of Items Unaccounted for:	\$29,088
Total Net Value of Items Unaccounted for:	\$2,413

This property audit started on April 25, 2014. The former Executive Director for Instruction & Intervention left her position with the District prior to the start of this engagement. In addition, the Chief Academic Officer left the District shortly after the preliminary physical inventory was completed and provided for his review. The attending support staff did not provide access to the necessary materials, equipment and/or document records during the initial review. As a result, other administrators within the division were assigned the task of following up and working with the Office of the Chief Auditor to reconcile over ninety (90) items.

The details of Business Practice Bulletin O-100 should be reviewed with all staff members.

Property Team

Functional back up roles should be developed to increase the efficiency of archiving support documentation utilizing a Property Binder and updated locally managed equipment tracking database. It should be noted that the sharing of oversight responsibilities can foster an improved level of compliance, awareness and adherence to school/department expectations related to property control. The Director and all designated staff should maintain access to these items at all times.

Self-Inventories

The Office of the Chief Auditor suggests "hands on all" item reconciliation be completed at all schools/departments to ensure an accurate physical accounting of site designated assets by the staff as often as needed. Records of self performed evaluations should be maintained at the location. Record information errors should be submitted to Accounting & Financial Reporting Department (AFRD) for correction immediately when identified.

(Instruction & Intervention continued)

All locations are minimally required to conduct semi-annual inventories to ensure the District's property records are accurately maintained and updated. This includes the high-risk property items maintained within the secondary database established by the location (Business Practice Bulletin O-100).

All locations must take appropriate measures to ensure the safekeeping of all tangible personal property. This includes securing all high-theft equipment during hours of non-operation.

To the extent possible, tangible personal property should be designated to individual staff that is requested to oversee the equipment and report any loss or theft to appropriate administration in "real-time". Additionally, tangible personal property that is not utilized on a day-to-day basis should be stored in a secured location, and the appropriate staff should physically verify this property as needed to provide the most effective means of securing tangible personal property (Business Practice Bulletin O-100).

Transfer of Assets

The request for transfer of all assets is the responsibility of the issuing location's Property Custodian/Director. Record amendments are processed by Accounting & Financial Reporting Department (AFRD) when paperwork is submitted with the appropriate authorization by the site's Property Custodian/Director. The property custodian must verify that the applicable property records have been removed from their property inventory roster by requesting a PNI 811 report or monitoring Optispool 954 reports provided by IT Production. The location must maintain copies of all pertinent documentation for their files to facilitate any necessary reconciliation during subsequent inventory audits. Transfer documentation which is greater than 90 days old will not be accepted during the property audit of tangible personal property. At least one item was not processed for over a year despite being noted in the prior year's audit. As a result of the audit, the required documentation was completed. Item 04-18122 PRINTER, LEXMARK, T630N serial # 991K6GZ will be transferred as a result of processing this property audit's discrepancy report.

The property custodian should verify the applicable property records have been removed from their property inventory by requesting a PNI 811 report from IT Production or by confirming the intended modification with the PNI 954 Report via Optispool as provided to the Principal and support staff (Business Practice Bulletin O-100).

(Instruction & Intervention continued)

Assignment of Tangible Personal Property to Staff

It is recommended that a physical verification of equipment be executed so that property passes are not continually issued with inaccurate or invalid information. All passes for this division must be reissued with a properly signed authorization as provided by the newly appointed Property Custodian or task assigned administrator as determined by Mr. Kinglsey, Chief Academic Officer. The OCA physically verified all items that were provided due to inconsistencies identified during the review of active property pass documentation and the noted departure of the previous administrator. Despite allowing an extension of nearly two months, it is believed that select staff did not bring in equipment for verification which resulted in some items remaining unaccounted for. The administration is encouraged to continue their efforts to physically locate those items and reissue current documentation as needed.

It is recognized that tangible personal property will be assigned to staff for temporary removal of the property from the primary operational site location. In such instances, a Property Pass must be executed to document the assignment and removal of capital equipment from the location.

A unique Property Pass must be completed for each piece of tangible personal property removed from the location.

Property Passes must be updated annually or as needed to ensure the physical accounting and proper return of the District's capital equipment.

Reporting Theft

It is imperative that all staff members are aware of the requirements for reporting theft. In addition, it is often helpful for site administrators to remind staff of the increased potential for unlawful activity when items are left in unattended vehicles, unlocked rooms/cabinets, etc. The implementation of simple best practice initiatives can often produce significantly improved equipment safeguarding results.

All locations must take appropriate measures to ensure the safekeeping of all tangible personal property. This includes securing all high-theft equipment during hours of non-operation.

To the extent possible, tangible personal property should be designated to individual staff that is requested to oversee the equipment and report any loss or theft to appropriate administration in "real-time". Additionally, tangible personal

(Instruction & Intervention continued)

property that is not utilized on a day-to-day basis should be stored in a secured location, and the appropriate staff should physically verify this property as needed to provide the most effective means of securing tangible personal property.

In the event of theft or vandalism, the property custodian will report the loss to the Broward District Schools Police Department (BDSPD) and the local authorities at the time of the incident. As a component of the police report and the BDSPD's Immediate Notification Form, the location must provide all applicable property and serial numbers of the stolen tangible personal property along with a narrative of the event. This should be completed within 2 business days from when the incident is known or should have been known.

**The Office of the Chief Auditor
Property Division
2014-15**

Items not accounted for:

Instruction & Intervention 9776

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1	R14-80003	COMPUTER, MACBOOK PRO 13	\$ 1,409.00
2	10-05215	APPLE MACBOOK PRO 2.4 GHZ 15" DISPLAY	\$ 2,081.00
3	10-00405	DELL E6400 W/DVD+/-RW 14.1" DISPLAY	\$ 1,244.99
4	09-03913	APPLE MACBOOK PRO-2.4 GHZ 15.4" DISPLAY	\$ 2,534.00
5	09-01361	EPSON POWERLITE 1715C WIRELESS	\$ 1,187.22
6	08-10122	APPLE MBP 15/2.2/2X1GB/120	\$ 2,534.00
7	06-12671	PROJECTOR, ULTRA IGHT MULTIMEDIA EPSON 7	\$ 2,023.00
8	04-19966	APPLE IBOOK G4 W/CD-RW/DVD/14.1"DISPLAY	\$ 1,721.50
9	04-19965	APPLE IBOOK G4 W/CD-RW/DVD/14.1"DISPLAY	\$ 1,721.50
10	04-18134	PRINTER LEXMARK, COLOR	\$ 8,419.00
11	03-21062	DELL, DESKTOP PENTIUM 4	\$ 1,064.00
12	99-82153	COMPUTER, POWERBOOK MAC G3	\$ 3,149.00

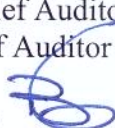
Total Historical Cost of Property unaccounted for as of August 5, 2014	\$ 29,088.21
[1]Total Accumulated Depreciation as of August 5, 2014	\$ 26,674.81
Net Value of Property considered to be unaccounted for as of August 5, 2014	\$ 2,413.40

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

**BRIAN G. KINGSLEY
ACTING CHIEF ACADEMIC OFFICER**

August 21, 2014

TO: Patrick Reilly, Chief Auditor
Office of the Chief Auditor

FROM: Brian G. Kingsley 
Acting Chief Academic Officer

SUBJECT: **PROPERTY AUDIT – INSTRUCTION & INTERVENTIONS, 9776**

The audit response from the Instruction & Interventions Department has been reviewed. The corrective steps on the attached memo are approved to be implemented to address the identified issues. Process and procedures for property control have been reviewed and security of building locations, where property is stored, has been upgraded.

As a result, Instruction & Interventions (I&I) has identified the following corrective action steps to be implemented to prevent any future loss of property assets:

- At the July 15, 2014 staff meeting, the Director provided staff with information and has reviewed the Procedures for Property and Inventory Control in the Business Practice Bulletin.
- The office manager will accurately maintain the I&I Property & Inventory database with accurate updates on location/changes and person assigned with equipment.
- The office manager and director/designee will maintain keys for all locked items.
- Doors of offices with tabletop and laptop computers, where I&I staff has access will be kept locked with no access to outside individuals.
- Staff will ensure that all laptops are secured in locked cabinet or closet when leaving their offices.

Staff identified to oversee property and inventory, will ensure all equipment is secured in a locked cabinet.

Should you have any additional questions, please contact me at 754-321-2618.

BGK/BF
Attachment

c: Brian Faso, Director of Strategic Achievement

4th Quarter: Instruction & Intervention

Inventory Checklist 2013-14

Due Date to Ms. Patricia Davis Office: 10/30/12

Date: _____

Date of Last Audit: _____

Department Name: _____

Director/Executive Director: _____

SLT Representative: _____ Department Contact: _____

Directions: Check each area completed and verified. Please comment if needed.
Contact Name office with questions or concerns.

Property Binder

Comments

- ☐ Property Passes issued for equipment removed from the primary location/office (Documented yearly/ Semi-Annual verification; authorized by Director)
Original → Binder
- ☐ O-100 Theft Reporting Standards Met
#Items lost or stolen _____
Police Report **must** contain manufacturer serial #'s
Complete Broward School Police Report and Tangible Loss Report
Copy → Binder
Original → Financial Reporting-Capital Assets
- ☐ Surplus/Transfer – use new 3290a (Authorized by Director only, w/ B-stock Pick Up verification)
#Items surplus _____
Copy → Binder
Original → Accounting & Financial Reporting-Capital Assets
- ☐ Work Orders-from vendor /repair department
Copy → Binder

Other

- ☐ Complete Quarterly Random Area/Floor Checks
- ☐ Complete Physical Inventory- (PNI 811 Report-IT)
“Hand on all items verification”
- ☐ **Send a copy of your Inventory Database**
To **Support Person's Name**

Additional Concerns:

What problems did you identify during your self inventory?

- ☐ Unprocessed Surplus/Transfer reporting
- ☐ Unprocessed Theft/Vandalism reporting
- ☐ Serial number errors and omissions; improper goods receipt
- ☐ Items in our possession not in PNI 811 Asset Record download (New Found Items)
- ☐ Additional concerns/comments

What have you done to address these problems?

**Confirmation date of error correction / asset records update
(Certified by PNI 811 or Optispool PNI 954 Asset Report Review)**

Director's Signature

Date

Department Name: Exceptional Student Education 9780
Director Name: Ms. Sonja Clay, (Appointed March 31, 2014)
Executive Director Name: Ms. Kathrine Francis

Address: Arthur Ashe, Jr. Campus
1701 NW 23rd Ave.
Ft. Lauderdale, FL 33311

Total Number of Items in Inventory: 1,086
Total Dollar Cost of Items in Inventory: \$2,530,506
Total Number of Items Unaccounted for: 45
Total Dollar Cost of Items Unaccounted for: \$84,039
Total Net Value of Items Unaccounted for: \$15,731

Audit Committee	Total Assets U/A	Historical Value of Assets U/A	Status
11-12	34	\$84,397	REPEAT Exception Rusnak, D.
09-10	57	\$148,525	REPEAT Exception Rusnak, D.
07-08	199	\$612,815	Exception Rusnak, D.

This property audit was completed on June 25, 2014.

Some of the process improvements proposed for implementation following the previous three property audits were not effective in eliminating discrepancies or monitoring concerns.

Self-Inventories

The Office of the Chief Auditor suggests "hands on all" item reconciliation be completed as often as needed to ensure an accurate physical accounting of site designated assets by the staff. In response to the previous property audit findings, management asserted that the department would conduct quarterly physical self audits at all designated ESE locations.

All locations are minimally required to conduct semi-annual inventories to ensure the District's property records are accurately maintained and updated. This includes the lower value high-risk property items maintained within the secondary database established by the location (Business Practice Bulletin O-100).

(ESE continued)

All record information should be certified as accurate and complete. A PNI 954 Optispool Report is provided to all department administrators as a notification of changes to their designated asset roster. Specifically, new additions are identified in the Optispool PNI 954A Report. Any incomplete record information and/or improperly coded additions should be submitted to the Accounting and Financial Reporting Department-Capital Assets (AFRD-CA) immediately upon detection. Numerous discrepancies in the asset record information were not addressed by the department's staff until they were identified by the Inventory Audit Specialist during this evaluation. Those discrepancies will be submitted for processing and record modification as a result of this property audit. In response to the previous property audit findings, management asserted that the department would reconcile asset information on a monthly basis.

Purchasing Tangible Personal Property

As a result of the audit, several records were identified that were not processed as new purchases inclusive of the required manufacturer serial numbers.

All non-consumable tangible personal property with a unit value of \$1,000 or greater must be ordered through the District's Purchasing system utilizing the appropriate coding.

When tangible personal property is received on-line, the individual must process the goods receipt for each item separately and record the unique serial number for each property item within the system. In the event an item does not physically possess a manufacturer's serial number, the new purchase documentation should be maintained in the site's property binder for future reconciliation and subsequent application of a District assigned serial number for tracking. The word "none" should be utilized when receiving those items online that do not have a manufacturer assigned serial number (Business Practice Bulletin O-100).

Surplus Tangible Personal Property

Procedures relating to the recording and execution of the removal of unusable obsolete equipment should be strengthened. The Property Custodian must certify the accuracy of the prepared documentation prior to the request for removal by the approved District agency (B-stock Warehouse). Some documentation that was submitted to represent surplus activity was inconsistent and/or inaccurate with regard to recording serial and equipment numbers as required. As a result of the initial physical audit, the warehouse removal staff was able to isolate some items for confirmation by the Inventory Audit Specialist. Those items were reconciled

(ESE continued)

accordingly. That is not a standard audit procedure. Surplus Forms should be accurately executed prior to request for removal.

Periodically, the location should surplus any obsolete or damaged tangible personal property in order to remove these records from their property inventory. Locations shall surplus tangible personal property twice per year in accordance with their self inventories conducted semi-annually.

The location should complete a 3290a Surplus/Transfer Declaration Form to identify the tangible personal property to be salvaged.

The 3290a Surplus/Transfer Declaration Form must list the BPI Number (Property Asset Number), serial number, model number, and equipment description for each property item being surplussed. The 3290a Surplus/Transfer Declaration Form must then be signed and dated by the property custodian and adequate explanation/documentation provided for surplussing the tangible personal property.

The location should make a copy of the 3290a Surplus/Transfer Declaration Form(s) for their record and forward the original to the Manager, Material Logistics at the Warehouse. The Warehouse will arrange to pick-up the tangible personal property designated for surplus from the applicable location. A work order document will be provided to the property custodian at each location to certify removal activity.

After confirming the pick-up of the property items, the Manager, Material Logistics will forward the 3290a Surplus/Transfer Declaration Form along with the B-stock pick-up acknowledgment form to AFRD-CA for processing.

Accounting & Financial Reporting Department - Capital Assets will send an email confirmation to the property custodian upon receipt of the form and documentation. Accounting & Financial Reporting Department - Capital Assets will process the 3290a Surplus/Transfer Declaration Form and remove the property records from the location's property inventory.

Within five business days of receiving notification, the 3290a Surplus/Transfer Declaration Form will be processed by AFRD-CA and locations will be contacted for any additional information. The property custodian should verify that the property records have been removed from the property inventory by requesting a PNI 811 from ETS Production or by monitoring the Optispool 954 Reports.

(ESE continued)

The location should maintain copies of all pertinent documentation for their files to facilitate any necessary reconciliation during subsequent property and inventory audits (Business Practice Bulletin O-100).

Surplus Trade-In Equipment

A Trade-In agreement should be documented in the new contract/invoice to validate the exchange. The individual manufacturer's information (Model, Serial Number) of the trade in item must be clearly identified in the paperwork. The dollar value of the trade items should also be clear and identified. The School Board designates the assessment responsibility to the Property Custodian (Director/Principal) in determining the most beneficial solution regarding the active assets and their use (via Policy 3204). It should be noted that AFRD-CA will assess whether the standard duration for use (Useful Life) has been adequately achieved. The recording and processing of this type of activity continues to be an area of ongoing concern.

A surplus is executed via a 3290 Surplus/Transfer Declaration Form in every trade situation. A pick up acknowledgement/Work Order document should be provided to support the legitimacy of the exchange activity. A memo of explanation should also be drafted by the Property Custodian to certify approval and the validity for the proposed trade with the vendor. All support paperwork should be forwarded to AFRD-CA for processing. A record should be retained in the site's property binder/records to provide an audit trail during future evaluations as needed.

The historical cost of the new purchase should be represented with a total value prior to the trade reduction or rebate for recording in the Master File of Assets. New records should be monitored to ensure that the information is maintained accurately. In addition, the records associated with the affected traded/surplus item(s) should be monitored to ensure that they have been retired as well. This has been a noted area of difficulty in three subsequent property audits.

Assignment of Tangible Personal Property to Staff

At the time of audit commencement, numerous passes were not properly authorized by the Director/Property Custodian. In addition, some equipment was assigned to students or staff for removal from the primary location, but was not documented. Some of those passes were identified and corrected by staff as a result of the audit; however, physical verification was still needed. Some items were verified by the Manager of Property and Inventory Control after an additional follow up visit was performed. The verified items were removed from the list of unaccounted for items as a result.

(ESE continued)

It is recognized that tangible personal property will be assigned to staff for temporary removal of the property from the primary operational site location. In such instances, a Property Pass must be executed to document the assignment and removal of capital equipment from the location.

A unique Property Pass must be completed for each piece of tangible personal property removed from the location.

Property Passes must be updated annually or as needed to ensure the physical accounting and proper return of the District's capital equipment (Business Practice Bulletin O-100).

Safeguarding Assets

Many assets remain on the list of unaccounted for equipment without explanation. Procedures and best practices for securing and safeguarding tangible personal property should be reviewed with all staff.

All locations must take appropriate measures to ensure the safekeeping of all tangible personal property. This includes securing all high-theft equipment during hours of non-operation.

To the extent possible, tangible personal property should be designated to individual staff that is requested to oversee the equipment and report any loss or theft to appropriate administration in "real-time". Additionally, tangible personal property that is not utilized on a day-to-day basis should be stored in a secured location, and the appropriate staff should physically verify this property as needed to provide the most effective means of securing tangible personal property (Business Practice Bulletin O-100).

Property Team

Functional back up and collaborative roles should be developed to increase the efficiency of archiving support documentation utilizing a centralized Property Binder and updated locally managed equipment tracking database. It should be noted that the sharing of oversight responsibilities can foster an improved level of compliance, awareness and adherence to school/department expectations related to property control. The Director and involved staff should maintain access to these items at all times. Tracking information should be updated as soon as the activity affecting the status of the equipment occurs.

**The Office of the Chief Auditor
Property Division
2014-15**

Items not accounted for:

Exceptional Student Education 9780

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1	13-05295	BAHA 3 POWER BP100 HEARING DEVICE	\$ 3,500.00
2	13-04501	APPLE MACBOOK PRO 15"- 2.3GHZ DISPLAY	\$ 2,048.00
3	13-04537	APPLE MACBOOK PRO 15"- 2.3GHZ DISPLAY	\$ 2,048.00
4	13-04540	APPLE MACBOOK PRO 15"- 2.3GHZ DISPLAY	\$ 2,048.00
5	13-03916	NOVACHAT7XDPL W/IVONA & SYMBOLS STIX	\$ 3,595.50
6	12-05668	APPLE AIRBOOK 1.7GHZ - 13" DSPLY- 128 GB	\$ 1,632.00
7	12-05056	APPLE MACBOOK PRO - 2.2GHZ 15" DISPLAY	\$ 2,048.25
8	12-04629	APPLE IMAC INTEL W/21.5" UPGRADED LED	\$ 1,270.88
9	11-01265	APPLE MACBOOK PRO - 2.53 GHZ 17" DISPLAY	\$ 2,617.10
10	10-05441	APPLE MACBOOK 2.1 GHZ 13.3" DISPLAY	\$ 1,297.00
11	10-02293	APPLE MACBOOK 2.0 GHZ 13.3" DISPLAY	\$ 1,553.00
12	09-11040	APPLE MACBOOK PRO 2.5GHZ 17" DISPLAY	\$ 3,199.00
13	08-09630	DELL WS3400 W/20" FLAT PANEL	\$ 1,506.00
14	08-10558	BRAILLENOTE MPOWER GPS WRITING UN	\$ 1,699.00
15	08-10559	BRAILLENOTE MPOWER GPS WRITING UN	\$ 1,699.00
16	08-13502	COMPUTER, LAPTOP APPLE MACBOOK	\$ 1,501.67
17	08-13510	COMPUTER, LAPTOP APPLE MACBOOK	\$ 1,501.67
18	08-13515	COMPUTER, LAPTOP APPLE MACBOOK	\$ 1,501.67
19	08-13501	DELL, LAPTOP D630 W/DVD+/-RW 14.1" DISPL	\$ 1,592.00
20	08-05561	APPLE IMAC INTEL W/17" FLAT PANEL/COMBO	\$ 1,154.00
21	08-00306	APPLE DESKTOP IMAC INTEL W/20"FLAT PANEL	\$ 1,815.00
22	08-80050	AUDIOSCIENCE MICROPHONE	\$ 1,199.47
23	07-28714	APPLE DESKTOP IMAC INTEL W/17" FLAT PANE	\$ 1,499.00
24	07-13730	ELMO HV-5100 PRESENTER	\$ 2,018.18
25	07-81501	DELL LAPTOP D620 W/CD-RW/DVD/14.1" DISPL	\$ 1,537.00
26	07-10932	APPLE DESKTOP IMAC INTEL W/17" FLAT PANE	\$ 1,499.00

**The Office of the Chief Auditor
Property Division
2014-15**

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
27	07-09304	DELL DESKTOP P4 TOWER W/19"FLAT PANEL/DV	\$ 1,167.00
28	07-08546	APPLE MACBOOK 1.83GHZ W/CD-RW/DVD 13.3"	\$ 1,499.00
29	07-07442	APPLE DESKTOP IMAC INTEL W/17"FLAT PANEL	\$ 1,499.00
30	07-05302	PRINTER, LEXMARK T640N B/W LASER 2 DRAWE	\$ 1,384.00
31	07-04292	APPLE DESKTOP IMAC INTEL W/17"FLAT PANEL	\$ 1,549.00
32	07-04298	APPLE, MACBOOK PRO 1.83GHZ	\$ 2,534.00
33	06-08987	APPLE,DESKTOP,IMAC G5 W/20"FLAT PANEL/CD	\$ 2,154.00
34	05-55729	APPLE,DESKTOP, IMAC G5 W/17"	\$ 1,485.00
35	06-80033	PROJECTOR, EPSON POWERLITE 765C	\$ 2,100.00
36	05-54534	APPLE,DESKTOP, EMAC G4 W/17"FLAT CRT/CD-	\$ 1,295.00
37	05-50749	APPLE,IBOOK G4 W/CD-RW/DVD/14.1DISPLAY/8	\$ 1,721.50
38	05-38744	DELL LAPTOP PMW/CDRW/DVD COMBO 14.1 DISP	\$ 1,738.00
39	04-20543	APPLE IBOOK G4 W/CD-RW/DVD/14.1"DISPLAY	\$ 1,721.50
40	04-83936	APPLE, IBOOK 14.1	\$ 1,604.41
41	04-83949	APPLE, IBOOK 14.1	\$ 1,604.41
42	04-00142	APPLE,LAPTOP,TITANIUM G4 W/CD-RW/DVD-ROM	\$ 2,576.95
43	R00-81231	CHAIR, RIFTON R554 LARGE	\$ 1,049.00
44	97-24000	DELTATALKER W/BATTERY CHARGER	\$ 4,995.00
45	95-22225	COMPUTER MACINTOSH PWR 6100/60 B1972LL 8	\$ 1,783.00

Total Historical Cost of Property unaccounted for as of August 26, 2014 \$ 84,039.16

[1]Total Accumulated Depreciation as of August 26, 2014 \$ 68,307.90

Net Value of Property considered to be unaccounted for as of August 26, 2014 \$ 15,731.26

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
EXCEPTIONAL STUDENT EDUCATION

Sonja Clay
Director

Phone: 754-321-3400

Fax: 754-321-3439

June 21, 2014

TO: Kathrine Francis, Executive Director
ESE & Support Services

FROM: Sonja Clay, Director 
ESE & Support Services

SUBJECT: AUDIT RESPONSE FOR MAY 5, 2014, REPORT

Please see the attached "Property Audit Missing List Report from May 5, 2014, for Location 9780. Please find the following responses, attached supporting documents, and corrective measures to be implemented to ensure future safeguard of District assets.

Exhibit A: B-Stocked: Nine items B-Stocked

Exhibit B: Items Less than 1K: Three items less than \$1,000.00

Exhibit C: Police & Fire Reports: Three police/fire reports provided

Exhibit D: Equipment Exchange: Eight items exchanged

Exhibit E: Transferred: One item transferred (2)

Exhibit F: Missing Serial Number: One item provided

Exhibit G: Furniture: Five furniture items verified and provided

Exhibit H: Located Items: 10 items found

Exhibit I: Missing Items: 33 items still unaccounted for

In an effort to reduce or eliminate procedural deficits and missing items, the attached corrective action will be implemented.

Please feel free to contact me, should have questions or concerns.

SC/GL/DP

Attachment(s)

c: Gwen Lipscomb, FIN/FDLRS Coordinator, ESE & Support Services
Deldre Penha, Micro Computer Technical Assistant, ESE & Support Services

**2014 Property & Inventory Corrective Action Plan
Location 9780 – Exceptional Student Education**

	Activities	Timeline	Contact/Resource	Frequency
1.	Conduct quarterly hands-on review of property & Inventory (P&I) assigned to 9780. Submit equipment acquisition form to AFRD-CA for items recovered/located for reactivation in master file of assets	07/14 – 06/15	Micro Tech Assistant and Assigned P&I Contact Staff	Quarterly
2.	Reconcile the PNI 811 Asset Report monthly	07/14 – 06/15	Micro Tech Assistant	Monthly
3.	Review Business Practice O-100 with assigned P&I Contact Staff	08/2014	Micro Tech Assistant and Assigned P&I Contact Staff	Ongoing; as needed
4.	Establish specific removal periods for obsolete and "unusable" inventory quarterly	07/14 – 06/15	Micro Tech Assistant	Quarterly
5.	Verify all activity for surplus and transfer are completed upon receipt of Optispool downloads. Notify AFRD-CA Department immediately if discrepancies are identified.	07/14 – 06/15	Micro Tech Assistant DP	Monthly
6.	Forward transfer documentation to the AFRD-CA Department weekly. Review status of transfer within 30 days.	07/14 – 06/15	Micro Tech Assistant	Weekly
7.	Establish system to monitor and track distribution and expiration dates of property passes	07/2014	Micro Tech Assistant	Monthly
8.	Monitor and track the distribution and expiration of property passes	07/14 – 06/15	Micro Tech Assistant and Assigned P&I Contact Staff	Monthly
9.	Submit proper documentation (as specified in the Program Property Central Procedures Manual) for exchange/replacement equipment from external vendors	07/14 – 06/15	Micro Tech Assistant	Ongoing; as needed
10.	Store tangible property and equipment in a secured storage area	07/14 – 06/15	Micro Tech Assistant and Assigned P&I Contact Staff	Ongoing
11.	Report theft or vandalism of equipment to SIU within two business days of the incident.	07/14 – 06/15	Micro Tech Assistant and Assigned P&I Contact Staff	Ongoing; as needed

Department Name: Coordinated Student Health Services 9826
Director Name: Ms. Marcia Bynoe

Address: 1400 NW 14th Court
Fort Lauderdale, Florida 33311

Total Number of Items in Inventory:	52
Total Dollar Cost of Items in Inventory:	\$86,263
Total Number of Items Unaccounted for:	2
Total Dollar Cost of Items Unaccounted for:	\$2,997
Total Net Value of Items Unaccounted for:	\$1,209

The details of Business Practice Bulletin O-100 should be reviewed with all staff.

Self-Inventories

The Office of the Chief Auditor suggests "hands on all" item reconciliation be completed at all schools/departments to ensure an accurate physical accounting of site designated assets by the staff.

All locations are minimally required to conduct semi-annual inventories to ensure the District's property records are accurately maintained and updated. This includes the high-risk property items maintained within the secondary database established by the location (Business Practice Bulletin O-100).

A database for tracking lower valued items was not being maintained at the location prior to this engagement.

Although tangible personal property purchases with a unit value less than \$1,000 are not maintained on the District's Master File of Capital Assets database, property custodians should take appropriate precautions to safeguard and track all tangible personal property, especially high risk items such as computers, cameras, LCD Projectors, custodial equipment, and musical instruments. Locations must maintain records of these high risk items within a secondary, site-based tracking database. The property custodian will determine the format for maintaining the information contained in the location's secondary, site-based tracking database (Excel, FileMaker Pro, etc.) unless otherwise mandated by the respective SLT administrator (Business Practice Bulletin O-100).

Monitoring Property Records

Optispool PNI 811 & PNI 954 Reports, provided by Information & Technology (IT), should be reviewed routinely to ensure that record modifications, additions and amendments are executed in the Master File of Assets effectively.

(CSHS continued)

Safeguarding Assets

Two items remain unaccounted for. Procedures for securing and safeguarding tangible personal property should be reviewed with staff.

All locations must take appropriate measures to ensure the safekeeping of all tangible personal property. This includes securing all high-theft equipment during hours of non-operation. To the extent possible, tangible personal property should be designated to individual staff that is requested to oversee the equipment and report any loss or theft to appropriate administration in “real-time”.

Additionally, tangible personal property that is not utilized on a day-to-day basis should be stored in a secured location, and the appropriate staff should physically verify this property as needed to provide the most effective means of securing tangible personal property (Business Practice Bulletin O-100).

Property Team

Functional back up roles should be developed to increase the efficiency of archiving support documentation utilizing a Property Binder and updated locally managed equipment tracking database. It should be noted that the sharing of oversight responsibilities can foster an improved level of compliance, awareness and adherence to school/department expectations related to property control. The Director and involved staff should maintain access to these items at all times.

**The Office of the Chief Auditor
Property Division
2014-15**

Items not accounted for: **Coordinated Student Health Services 9826**

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1	13-03593	APPLE MACBOOK PRO 13" 2.4GHZ 13.3 DISPLAY	\$ 1,511.75
2	05-50824	APPLE DESKTOP IMAC G5	\$ 1,485.00

Total Historical Cost of Property unaccounted for as of June 26, 2014	\$ 2,996.75
[1]Total Accumulated Depreciation as of June 26, 2014	\$ 1,787.35
Net Value of Property considered to be unaccounted for as of June 26, 2014	<u>\$ 1,209.40</u>

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
MICHAELLE VALBRUN-POPE
EXECUTIVE DIRECTOR
STUDENT SUPPORT INITIATIVES**

August 7, 2014

TO: Patrick Reilly
Chief Auditor

FROM: Michaelle Valbrun-Pope, Executive Director
Student Support Initiatives 

SUBJECT: **PROPERTY AUDIT COORDINATED STUDENT HEALTH SERVICES, 9826**

I have reviewed the audit response from the Coordinated Student Health Services Department and discussed all findings with the Director of the Department. I approve the corrective steps to be implemented as outlined on the attached memo, to address the identified issues. Processes and procedures for property control have been reviewed and security of building locations where property is stored has been upgraded.

MVP:tj
Attachment

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
COORDINATED STUDENT HEALTH SERVICES**

**MARCIA BYNOE
DIRECTOR**

Telephone: 754-321-1575

Facsimile: 754-321-1696

July 24, 2014

TO: Michaelle Valbrun-Pope
Executive Director, Student Support Initiatives

FROM: Marcia Bynoe, Director
Coordinated Student Health Services

SUBJECT: **RESPONSE TO AUDIT REPORT ON PROPERTY INVENTORY
FISCAL YEAR 2013-2014**

Coordinated Student Health Services (CSHS) Property and Inventory audit conducted on April 4, 2014, reflected two missing items.

Missing Items:

1. Apple Desktop IMAC, Serial # QP51203ES40
2. Apple MacBook Pro 13" Laptop, Serial #C02K5HA8DTY3

The first item, Apple Desktop IMAC, was stolen from the premises during a break-in in December 2013. A police report was promptly generated upon identification of property and inventory walk-thru. This room is kept locked but is accessed for use of office equipment by other departments.

The second item, Apple MacBook Pro 13 Laptop, was identified as stolen during the P&I audit. A police report was generated after a thorough check of all areas.

As a result, CSHS has identified the following corrective action steps to be implemented to prevent any future loss of property assets:

- At the July 15, 2014 Staff meeting, the Director provided staff with information and has reviewed the Procedures for Property and Inventory Control in the Business Practice Bulletin.
- The Office Manager will accurately maintain the CSHS Property and Inventory database with accurate updates on location /changes and person assigned with equipment.
- The Office Manager and Director/designee will maintain keys for all locked items.
- Doors of offices with tabletop and laptop computers, where CSHS staff has access will be kept locked with no access to outside individuals.
- Staff will ensure that all laptops are secured in a locked cabinet or closet when leaving their offices.
- Staff identified to oversee property and inventory, will ensure all equipment is secured in a locked cabinet.

Should you have any additional questions, please contact me at 754-321-1575.

MB:cw

Department Name: Literacy 9854
Director Name: Ms. Michele Rivera (Former)
Ms. Mildred Grimaldo (Appointed, August 16, 2014)

Address: 600 SE 3rd Avenue
Fort Lauderdale, Florida 33301

Total Number of Items in Inventory:	46
Total Dollar Cost of Items in Inventory:	\$84,740
Total Number of Items Unaccounted for:	2
Total Dollar Cost of Items Unaccounted for:	\$2,845
Total Net Value of Items Unaccounted for:	0

This property audit was completed on June 9, 2014.
The details of Business Practice Bulletin O-100 should be reviewed with all staff.

Self-Inventories

The Office of the Chief Auditor suggests "hands on all" item reconciliation be completed at all schools/departments to ensure an accurate physical accounting of site designated assets by the staff.

All locations are minimally required to conduct semi-annual inventories to ensure the District's property records are accurately maintained and updated. This includes the high-risk property items maintained within the secondary database established by the location (Business Practice Bulletin O-100).

Purchasing Tangible Personal Property

As a result of the audit, a record will be modified to include a serial number assigned by the Office of the Chief Auditor for future tracking.

All non-consumable tangible personal property with a unit value of \$1,000 or greater must be ordered through the District's Purchasing system utilizing the appropriate coding.

When tangible personal property is received on-line, the individual must process the goods receipt for each item separately and record the unique serial number for each property item within the system. In the event an item does not physically possess a manufacturer's serial number, the new purchase documentation should be maintained in the site's property binder for future reconciliation and subsequent application of a District assigned serial number for tracking. The word "none" should be utilized when receiving those items online that do not have a manufacturer assigned serial number (Business Practice Bulletin O-100).

(Literacy continued)

Safeguarding Assets

Two items remain unaccounted for. Procedures for securing and safeguarding tangible personal property should be reviewed with staff.

All locations must take appropriate measures to ensure the safekeeping of all tangible personal property. This includes securing all high-theft equipment during hours of non-operation.

To the extent possible, tangible personal property should be designated to individual staff that is requested to oversee the equipment and report any loss or theft to appropriate administration in “real-time”. Additionally, tangible personal property that is not utilized on a day-to-day basis should be stored in a secured location, and the appropriate staff should physically verify this property as needed to provide the most effective means of securing tangible personal property (Business Practice Bulletin O-100).

**The Office of the Chief Auditor
Property Division
2014-15**

Items not accounted for:

Literacy 9854

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1	07-14192	APPLE MACBOOK 2.GHZ DVD+-RW/CD-RW 13.3"	\$ 1,691.00
2	04-08978	PROJECTOR,CLASSROOM ON A CART,LOW END	\$ 1,154.23

Total Historical Cost of Property unaccounted for as of June 26, 2014	\$ 2,845.23
[1]Total Accumulated Depreciation as of June 26, 2014	\$ 2,845.23
Net Value of Property considered to be unaccounted for as of June 26, 2014	\$ -

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

**BRIAN G. KINGSLEY
ACTING CHIEF ACADEMIC OFFICER**

August 12, 2014

TO: Patrick Reilly, Chief Auditor
Office of the Chief Auditor

FROM: Brian G. Kingsley 
Acting Chief Academic Officer

SUBJECT: INVENTORY AUDIT RESPONSE

The Instruction and Interventions (I&I) Division has reviewed the inventory audit response for the Literacy Department. I&I has implemented the following monitoring strategies to strengthen the Literacy Department's business management competencies and prevent recurrence of audit exceptions. The Director of Literacy will provide the following assistance:

- The Director met with the Liaison to discuss improvements and develop a plan for the process within the Literacy Department to ensure proper monitoring of Department property.
- The Literacy Department will be required to follow all guidelines and procedures for Property and Inventory developed by the Auditing Department.
- The Liaison of the Department of Literacy will conduct quarterly inventories and reviews with the Director of Literacy to review the implementation status of the new monitoring system.
- The Liaison of Literacy will attend training conducted by the Audit Department

Moreover, the following two missing items from the PNI Inventory #9854, 07-14192 and 04-08978 have not been recovered. Immediately following the items being noted as "missing", the Literacy Department filed a police report with the Fort Lauderdale Police Department. I am confident that our new monitoring system will greatly enhance our business management competencies and prevent any future recurrence of audit exceptions.

BGK/MG

c: Mildred Grimaldo, Director of Literacy
Instruction and Interventions

Date of Report May 21, 2014		Type of Report Larceny ☒ Lost Property ☐		OR# 14-64313	
Incident Day: From: Day May Time 11:00 To: Day May Date 21 Time 11:00					
Location Property Was Lost/Stolen 600 SE. 3 Ave Ft. Lauderdale				City Ft. Lauderdale	ZIP 33301
Business Name/Area Identifier School Board of Broward County				Location Type (see code) 17	
Location Type 01 Residence-Single 05 Convenience Store 09 Supermarket 13 Bank/Financial 17 Gov/Public Bldg 21 Airport 25 Park/Lot/Garage 29 Motor Vehicle 02 Apartment-Condo 06 Gas Station 10 Dept/Discount Store 14 Commercial Office 18 School/Univ 22 Bus/Rail 26 Highway/Road 30 Other Vehicle 03 Residence-Other 07 Liquor Store 11 Specialty Store 15 Industrial/Mfg 19 Jail/Prison 23 Construction Site 27 Park/Woods/Field 31 Other 04 Hotel/Motel 08 Bar/Nightclub 12 Drug Store/Hospital 16 Storage 20 Religious 24 Other Structure 28 Lake/Waterway					
Number of Victims: 1		If Larceny - Check One Retail Theft ☐ Coin Machine ☐ Auto Accessory ☐ Larceny Bicycle ☐ Other ☒			
Victim Type 1 Juvenile 5 Government 3 Adult 6 Church 4 Business 9 Other		Race A - N/A W - White B - Black O - Other/Asian U - Unknown		Residence Type 1 N/A 2 City 3 County	
Victim #1 Name (Last, First, Middle) Anzalone Debra		Victim Type (see code) 3		Residence Status 0 N/A 2 Full Year 1 Full Year 3 Non-Resident	
Address (Street, Apt. #) 600 SE 3 Ave, Ft. Lauderdale				Business Phone (754) 321-1876	
Other Contact Info. (Time available, interpreter, etc.)					
Race (See Code) W		Sex (circle one) Male ☐ Female ☒ N/A		Date of Birth 05/22/1954	
Age 59		Residence Type (See Code)		Res Status (See Code)	
Victim #2 Name (Last, First, Middle)				Victim Type (see code)	
Address (street, Apt. #)				Residence Phone () ()	
Other Contact Info. (Time available, interpreter, etc.)				Business Phone () ()	
Describe what happened (use additional sheets if necessary)					
AFFIDAVIT The information in this report is true and correct to the best of my knowledge Debra Anzalone Signature of person filing this report 5/22/14 Date					
Received in Records BY _____		Date 5/22/14		Time 11:00	
Processed by _____		Victim Notification (check one) Yes ☐ No ☒		Case Status _____	
Officer Reviewing _____					

FORT LAUDERDALE POLICE DEPARTMENT
THEFT/LOST PROPERTY REPORT

OR#		Type of Property			
Property type A - Audio Accessories/Parts B - Binoculars C - Camera/Photo Equipment D - Drug E - Eyeglasses/Tools F - Food/Alcohol/Smoking G - Gas H - Handcuffs/Keys I - Identification J - Jewelry K - Kitchenware/Utensils L - Luggage M - Medical/First Aid N - Motor Vehicle/Parts O - Office Equipment P - Art/Collection Q - Clothing/Accessories R - Electronics S - Firearms/Parts T - Tools/Equipment U - Toys/Hobbies V - Credit Card/Non-Negotiable W - Cash/Check X - Miscellaneous Y - Personal Effects Z - Miscellaneous					
Item #	Property Type (see code)	Quantity	Name	Brand	Model Name/Number
1	O	1	APPLE	MacBook	251768
Serial #		Owner Applied Number		Description (Size, Color, Caliber, Barrel Length, etc.)	
W87105LSWGL		07-14192		white	
Value \$		Value Recovered \$		Date Recovered	
1691.00					
Item #	Property Type (see code)	Quantity	Name	Brand	Model Name/Number
2	O	1	Projector		
Serial #		Owner Applied Number		Description (Size, Color, Caliber, Barrel Length, etc.)	
EYM0390405K		04-08978		small classroom projector	
Value \$		Value Recovered \$		Date Recovered	
1154.23					
Item #	Property Type (see code)	Quantity	Name	Brand	Model Name/Number
Serial #		Owner Applied Number		Description (Size, Color, Caliber, Barrel Length, etc.)	
Value \$		Value Recovered \$		Date Recovered	
Item #	Property Type (see code)	Quantity	Name	Brand	Model Name/Number
Serial #		Owner Applied Number		Description (Size, Color, Caliber, Barrel Length, etc.)	
Value \$		Value Recovered \$		Date Recovered	
Item #	Property Type (see code)	Quantity	Name	Brand	Model Name/Number
Serial #		Owner Applied Number		Description (Size, Color, Caliber, Barrel Length, etc.)	
Value \$		Value Recovered \$		Date Recovered	
Additional Property Details (use additional sheets if necessary)					

School Name: Meadowbrook Elementary 0761
Principal Name: Mr. Matthew Whaley

Address: 5402 NW 36th Avenue
Fort Lauderdale, Florida 33309

Total Number of Items in Inventory:	477
Total Dollar Cost of Items in Inventory:	\$690,240
Total Number of Items Unaccounted for:	33
Total Dollar Cost of Items Unaccounted for:	\$48,822
Total Net Value of Items Unaccounted for:	0

The details of Business Practice Bulletin O-100 should be reviewed with all staff.

Self-Inventories

The Office of the Chief Auditor suggests "hands on all" item reconciliation be completed at all schools/departments to ensure an accurate physical accounting of site designated assets by the staff. Although a minimum semi-annual requirement is established by Business Practice Bulletin O-100, schools may elect to administer more oversight and monitoring controls when difficulties have been noted. All staff should be mindful of the equipment assigned to their designated work areas on a daily basis.

All locations are minimally required to conduct semi-annual inventories to ensure the District's property records are accurately maintained and updated. This includes the high-risk property items maintained within the secondary database established by the location (Business Practice Bulletin O-100).

Monitoring Record Information

Prior to the commencement of the property audit, nine (9) new purchases were identified that were not executed in accordance with District procedures. As a result, invoices were obtained by the Inventory Audit Specialist to realign and correct the recognized serial number omissions. School staff should have identified and reported those errors to Accounting & Financial Reporting-Capital Assets prior to audit commencement subsequent to their standard review of the Optispool 954A Report (new asset record creation) or self performed semi-annual inventories.

When tangible personal property is received on-line, the individual must process the goods receipt for each item separately and record the unique serial number for each property item within the system. In the event an item does not physically possess a manufacturer's serial number, the new purchase documentation should be maintained in the site's property binder for future reconciliation and

(Meadowbrook Elementary continued)

subsequent application of a District assigned serial number for tracking. The word “none” should be utilized when receiving those items online that do not have a manufacturer assigned serial number (Business Practice Bulletin O-100).

Surplus/ Transfer Activity

Procedures relating to the recording and execution of the removal of unusable obsolete equipment should be strengthened. The Property Custodian must certify the accuracy of prepared documentation prior to the request for removal by the approved District agency (B-stock Warehouse). Record modifications should be tracked via PNI Optispool 954B Report (asset record deletions) to ensure that timely and accurate processing occurs via the Accounting and Financial Reporting-Capital Assets Department.

New Found Items Reported

Eighty (80) items were located at the school/department that did not appear in the Master File of Assets. The school provided some support information to certify that the value of some identified equipment was below the minimum requirement for recording and monitoring fixed assets of \$1,000 or more. In some cases, the historical cost was below the value of assets captured by AFRD for tracking, but should still be maintained in the school’s local tracking database and secured accordingly. Support records for activity relating to the items identified in the New Found Items Report should be kept in the location’s property binder for future audit review. Thirteen (13) items still have not been supported and/or approved by the Property Custodian via the appropriate Equipment Acquisition Forms. The authorized and completed documentation should be submitted to Accounting & Financial Reporting for addition to the Master File of Assets as needed. The school should monitor the Optispool 954A Report to certify that the items were captured accurately. The list of pending items was provided to the school administration on June 4, 2014.

For any new/found tangible personal property listed on the final audit discrepancy report with a historical cost/estimated value of \$1,000 or more, the location must forward a 03290 Equipment Acquisition Form signed by the property custodian with invoices or estimated values authorizing Accounting & Financial Assets Reporting Department - Capital Assets to add these property items to the Master File of Capital Assets database (Business Practice Bulletin O-100).

**The Office of the Chief Auditor
Property Division
2014-15**

Items not accounted for:

Meadowbrook Elementary 0761

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1	09-04044	COMPUTER, APPLE MACBOOK	\$ 1,695.71
2	06-12833	APPLE DESKTOP EMAC G4/17" FLAT CRT/CD-RW	\$ 1,100.00
3	06-12834	APPLE DESKTOP EMAC G4/17" FLAT CRT/CD-RW	\$ 1,100.00
4	06-12837	APPLE DESKTOP EMAC G4/17" FLAT CRT/CD-RW	\$ 1,100.00
5	06-12838	APPLE DESKTOP EMAC G4/17" FLAT CRT/CD-RW	\$ 1,100.00
6	06-83284	APPLE, IBOOK 12.1	\$ 1,419.18
7	06-12464	DELL LAPTOP D510, W/CD-RW/DVD/14.1" DISP	\$ 1,689.00
8	05LA06290	Apple-Refresh Laptop	\$ 1,395.62
9	05-56199	APPLE,DESKTOP, EMAC G4 W/17"FLAT CRT	\$ 1,100.00
10	05-56200	APPLE,DESKTOP, EMAC G4 W/17"	\$ 1,100.00
11	05-56219	APPLE, POWERBOOK, G4 W/CD-RW/DVD-R	\$ 3,231.00
12	05-53499	APPLE DESKTOP EMAC G4 17" FLAT CRT/CD-RW	\$ 1,100.00
13	05-53500	APPLE DESKTOP EMAC G4 17" FLAT CRT/CD-RW	\$ 1,100.00
14	05-43657	APPLE, IBOOK G4 W/CD-RW/DVD/12.1"	\$ 1,456.50
15	05-43658	APPLE, IBOOK G4 W/CD-RW/DVD/12.1"	\$ 1,456.50
16	05-43675	APPLE, IBOOK G4 W/CD-RW/DVD/12.1"	\$ 1,456.50
17	05-34742	APPLE, POWERBOOK, G4 W/CD-RW/DVD-ROM 15.	\$ 2,376.00
18	04-20128	APPLE IBOOK, 12.1	\$ 1,446.00
19	04-20137	APPLE IBOOK, 12.1	\$ 1,446.00
20	03-22849	APPLE, DESKTOP, EMAC G4 W/17"FLAT CRT/CD	\$ 1,100.25
21	03-22852	APPLE, DESKTOP, EMAC G4 W/17"FLAT CRT/CD	\$ 1,100.25
22	03-22855	APPLE, DESKTOP, EMAC G4 W/17"FLAT CRT/CD	\$ 1,100.25
23	03-22866	APPLE, DESKTOP, EMAC G4 W/17"FLAT CRT/CD	\$ 1,100.25
24	03-22875	APPLE, DESKTOP, EMAC G4 W/17"FLAT CRT/CD	\$ 1,100.25
25	03-21076	APPLE, LAPTOP TITANIUM G4	\$ 2,581.95
26	03-84080	Computer, Apple Laptop	\$ 2,499.33
27	03-04839	COMPUTER, LAPTOP MAC I BOOK	\$ 1,685.98

**The Office of the Chief Auditor
Property Division
2014-15**

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
28	01-08227	PRINTER, LEXMARK OPTRA M410N	\$ 1,466.00
29	01-08231	PRINTER, LEXMARK OPTRA M410N	\$ 1,466.00
30	01-05927	COMPUTER, MAC IMAC	\$ 1,195.86
31	01-06878	COMPUTER, MAC IMAC	\$ 1,195.86
32	01-05923	COMPUTER, MAC IMAC	\$ 1,680.86
33	01-05949	COMPUTER, MAC IMAC	\$ 1,680.86

Total Historical Cost of Property unaccounted for as of July 23, 2014	\$	48,821.96
[1]Total Accumulated Depreciation as of July 23, 2014	\$	48,821.96
Net Value of Property considered to be unaccounted for as of July 23, 2014	\$	-

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
DESMOND K. BLACKBURN, Ph.D.
CHIEF SCHOOL PERFORMANCE AND ACCOUNTABILITY OFFICER

Telephone: 754-321-3838

Facsimile: 754-321-3886

August 4, 2014

TO: Patrick Reilly, Chief Auditor
Office of the Chief Auditor

FROM: Desmond K. Blackburn, Ph.D.
Chief School Performance and Accountability Officer

SUBJECT: **PROPERTY AND INVENTORY AUDIT RESPONSE –
MEADOWBROOK ELEMENTARY SCHOOL**

The Office of School Performance and Accountability has reviewed the property and inventory audit findings for Meadowbrook Elementary School. These audit findings have been discussed with the Principal, Matthew Whaley, and he has taken full responsibility to implement deliberate steps to ensure exception-free property and inventory audits in the future.

The Office of School Performance and Accountability will monitor the school's progress and hold the Principal appropriately accountable should future audit exceptions occur. If additional information is needed, please let me know.

DKB/IC:ajc

cc: Irene Cejka, Director, Office of School Performance and Accountability
Dr. Jose D. Laverde, Business Analyst
Matthew Whaley, Principal, Meadowbrook Elementary School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

MEADOWBROOK ELEMENTARY
2300 S W 46th Avenue
Ft. Lauderdale, FL 33317
754 323-6500
754 323-6540 - Fax

SCHOOL BOARD
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Superintendent of Schools

July 30, 2014

To: Dr. Desmond Blackburn, Chief
School Performance and Accountability

From: Matthew Whaley, Principal *MW*
Meadowbrook Elementary

RE: **MEADOWBROOK ELEMENTARY SCHOOL'S PROPERTY AND INVENTORY
AUDIT FOR FISCAL YEAR 2014-2015.**

This memorandum is in response to the Property and Inventory Audit conducted at Meadowbrook Elementary School for the fiscal year 2014-2015. After carefully reviewing our Property and Inventory findings, the following steps will be implemented to minimize the loss of items and utilize the appropriate process for record keeping in the future.

Results from the Property and Inventory Audit revealed several items improperly salvaged to B Stock, items missing, and new found items needing to be placed on the school's inventory. After reviewing the auditor's report and discussions with the school's microtech, the following corrective actions to existing procedures will be enforced to ensure perfect zero items missing property and inventory audits.

Salvaged Items

Currently, all items to be salvaged and picked up by B Stock are located in a secure location on campus FISH 701F. The procedures will now include both the microtech and the principal to visually re-inspect all items to be salvaged before the principal signs the 3290A form and the items are removed from location. This will include each and every B Stock pick up for salvaged items.

Meadowbrook Elementary School's Property and Inventory Audit for Fiscal year 2014-2015

The microtech will provide a copy of the 3290A form for herself, the principal, and the assistant principal, as proper documentation of the items being salvaged.

Missing Items

The current practice during the 2013-2014 school year was to have the microtech perform quarterly audits of property and inventory at the school. Additionally, each room has a manifest of the inventory greater than \$1,000. The current practice of quarterly audits will be amended to include the following steps to ensure perfect audits in the future.

The team leaders will audit all classrooms on their respective teams and support staff will be assigned to all other areas and will audit all items over \$1,000 on a monthly basis and report any discrepancies to the assistant principal. In turn, the microtech, on a monthly basis will inspect and "touch" all items greater than \$1,000. All findings will be discussed with the principal no later than three school days after audit is complete. Any discrepancies will be researched and proper corrective actions will be taken according to current Business Practice Bulletin O-100.

Items less than 1,000

During the 2013-2014 school year, the microtech began to place on the database new items found at the school. The new found items discovered in the latest audit has already been added to the less than \$1,000 database. Because we will perform monthly audit checks at the school beginning the 2014-2015 school year, any new found items will be added to the database when discovered.

Although Meadowbrook has had exception free property and inventory audits the past few years, it is my goal to have perfect property and inventory audits each year.