

INTERNAL AUDIT REPORT

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



**To be presented to the:
Audit Committee
on
June 18, 2015**

**The School Board of Broward County, Florida
on
July 28, 2015**

**By
The Office of the Chief Auditor**



Broward County Public Schools

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THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

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Office of the Chief Auditor
Patrick Reilly, Chief Auditor
www.browardschools.com

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June 10, 2015

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 twenty one (21) locations in the report complied with prescribed policies and procedures. There were four (4) locations that contained some audit exceptions consisting or 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 schools and 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.

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 Department-Capital Assets (AFRD-CA), 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 reports 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 determines 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-Capital Assets (AFRD-CA). If the item is not reactivated after two 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 21 schools and 4 departments. These audits were finalized between **April 21, 2015 and June 10, 2015**. A summary of this report notes that:

- For the 25 locations, 28,322 items were listed in the property records at a historical cost of \$45,028,470.
- For the 25 locations included in this report, a total of 142 items could not be accounted for with a historical cost of \$208,226.

SECTION I: Summary
Property and Inventory Audits Performed

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 **April 21, 2015 and June 10, 2015**. 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	9536 Safety	158	\$470,323	3	\$7,375	Exception	8-17
Dept	9651 Talent Acquisition & Operations (NI)	68	\$92,098	0	0	No Exception	
Dept	9652 Talent Acquisition & Operations (I)	106	\$182,909	0	0	No Exception	
Dept	9655 Chief Human Resources Officer	9	\$15,112	0	0	No Exception	
School	0021 Pompano Beach Middle	925	\$1,543,247	6	\$5,444	No Exception	
School	0041 Northside Elementary	486	\$542,988	0	0	No Exception	
School	0211 Stranahan High	1,501	\$2,640,492	13	\$15,751	No Exception	
School	0241 McArthur High	2,325	\$3,515,167	5	\$5,274	No Exception	
School	0471 Olsen Middle	646	\$836,293	6	\$4,797	No Exception	
School	0601 Seagull Alternative High	582	\$719,192	7	\$9,860	Exception	18-22
School	0911 Deerfield Beach Middle	867	\$1,355,913	5	\$6,958	No Exception	
Sub Total		7,673	\$11,913,734	45	\$55,459	9 No Exception 2 Exceptions	

Area	Name	Total Items	Historical Cost	Items Not Accounted For (INAF)	Historical Cost (INAF)	No Exception/ Exception	Page No.
School	1131 Palmview Elementary	489	\$669,154	1	\$1,300	No Exception	
School	1151 Coral Springs High	2,048	\$3,046,527	1	\$1,123	No Exception	
School	1291 McFatter Technical College	2,549	\$5,746,207	10	\$12,492	No Exception	
School	1661 Hollywood Hills High	1,551	\$1,929,018	27	\$40,149	Exception	23-29
School	1671 C. Robert Markham Elementary	552	\$962,181	15	\$31,194	Exception	30-35
School	1711 Deerfield Beach High	1,693	\$2,633,065	12	\$24,228	No Exception	
School	2071 Pasadena Lakes Elementary	466	\$641,073	0	0	No Exception	
School	2221 Atlantic Technical College	3,562	\$6,980,189	2	\$4,823	No Exception	
School	2561 Coral Springs Middle	1,161	\$1,657,064	6	\$8,488	No Exception	
School	2771 McFatter Fire Academy	253	\$497,596	2	\$3,032	No Exception	
School	3391 Charles W. Flanagan High	2,393	\$2,691,567	7	\$9,055	No Exception	
School	3431 Sawgrass Springs Middle	774	\$989,671	4	\$4,144	No Exception	
School	3623 Cypress Bay High	2,530	\$3,777,542	10	\$12,739	No Exception	
Sub Total		20,021	\$32,220,854	97	\$152,767	11 No Exception 2 Exceptions	

Area	Name	Total Items	Historical Cost	Items Not Accounted For (INAF)	Historical Cost (INAF)	No Exception/ Exception	Page No.
School	3962 Discovery Elementary	628	\$893,882	0	0	No Exception	
Sub Total This Page		628	\$893,882	0	0	1 No Exception	
Sub Total Page 4		7,673	\$11,913,734	45	\$55,459	9 No Exception 2 Exceptions	
Sub Total Page 5		20,021	\$32,220,854	97	\$152,767	11 No Exception 2 Exceptions	
TOTAL		28,322	\$45,028,470	142	\$208,226	21 No Exception 4 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

SECTION II:
Locations-All Items Accounted for

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.

LOCATION NAME

9651 Talent Acquisition & Operations (NI)

9652 Talent Acquisition & Operations (I)

9655 Chief Human Resources Officer

0041 Northside Elementary

2071 Pasadena Lakes Elementary

3962 Discovery Elementary

SECTION III:
Locations with Exceptions

School Name: Safety 9536
Principal Name: Mr. Jerry Graziose (Retired; April 2015)
Ms. Victoria Stanford (Acting; April 2015)

Address: 4200 NW 10th Avenue
Oakland Park, FL 33309

Total Number of Items in Inventory:	158
Total Dollar Cost of Items in Inventory:	\$470,323
Total Number of Items Unaccounted for:	3
Total Dollar Cost of Items Unaccounted for:	\$7,375
Total Net Value of Items Unaccounted for:	\$0

This property audit was conducted on March 31, 2015.

Conducting 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.

All record information should be certified as accurate and complete. A PNI 954 Optispool Report is provided to all school administrators as a notification of changes to their designated asset roster. 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. All lower valued (less than \$1,000) high risk equipment should be tracked in the location's secondary tracking database as well.

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 the Optispool PNI 954B Report (asset record deletions) to ensure that timely and accurate processing occurs via the AFRD-CA.

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

(Safety continued)

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 Accounting & Financial Reporting Department - Capital Assets for processing (Business Practice Bulletin O-100).

In her 30 day response memo, Ms. Stanford indicated that recording errors and/or omissions on the standard Surplus Declaration Forms have occurred and have inhibited staff's ability to certify removal activity for the equipment that is reported as unaccounted for in this audit report.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
The Office of the Chief Auditor
Property Division
2014-15

Items not accounted for : **Safety 9536**

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1	05-40884	DEFIBRILLATOR, AUTOMATIC EXTERNAL	\$ 1,795.00
2	02-83148	DELL POWER EDGE 2500	\$ 4,245.00
3	94-34013	CAMCORDER PORT PANASONIC AG-455	\$ 1,335.00

Total Historical Cost of Property unaccounted for as of May 18, 2015	\$ 7,375.00
[1]Total Accumulated Depreciation as of May 18, 2015	\$ 7,375.00
Net Value of Property considered to be unaccounted for as of May 18, 2015	\$ -

[1] Based upon class life used by the Accounting and Financial Reporting Department

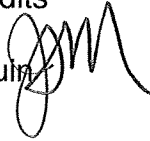
THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

**JEFFREY S. MOQUIN
CHIEF OF STAFF**

June 10, 2015

TO: Mark Magli, Manager
Operational Audits

FROM: Jeffrey S. Moquin
Chief of Staff



SUBJECT: **SAFETY DEPARTMENT PROPERTY AND INVENTORY
AUDIT RESPONSE**

Attached for your records is the Inventory Audit Report from Victoria Stanford, Acting Director & Chief Fire Official, Safety Department regarding the recent Property and Inventory Audit of the Safety Department.

On July 1, the Safety Department will be realigned under the Facilities and Construction Management Division in conjunction with the Board-approved 2015-2016 Organizational Chart. In connection with this realignment, I will be working with Mr. Derek Messier, Chief Facilities Officer, and other appropriate staff, to ensure the property and inventory function is transferred in accordance with Standard Practice Bulletin 0100 to their new, respective departments. Additionally, I will work with Mr. Messier to ensure the corrective measures outlined in the attached response are continued and effectively address the internal control concerns identified during the Property and Inventory Audit.

If you have any questions, or require additional information, please do not hesitate to advise.

JSM/tpo
Attachment

c: Derek Messier, Chief Facilities Officer
Patrick Reilly, Chief Auditor
Aston Henry, Director, Risk Management Department
Victory Stanford, Acting Director & Chief Fire Official, Safety Department

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SAFETY DEPARTMENT

TELEPHONE (754) 321-4200

FACSIMILE: (754) 321-4285

May 28, 2015

To: Jeff Moquin, Chief of Staff

From: Victoria Stanford, Acting Director, Safety & Chief Fire Official
Safety Department

RE: Audit Report on Property Inventory
Fiscal Year 2014-15

As a result of a recent audit of property inventory for the Safety Department, three items have been submitted as "Final Missing-Safety 9536".

Items not accounted for : **Safety 9536**

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1 05-40884	DEFIBRILLATOR, AUTOMATIC EXTERNAL	\$ 1,795.00
2 02-83148	DELL POWER EDGE 2500	\$ 4,245.00
3 94-34013	CAMCORDER PORT PANASONIC AG-455	\$ 1,335.00

Total Historical Cost of Property unaccounted for as of May 18, 2015	\$ 7,375.00
[1]Total Accumulated Depreciation as of May 18, 2015	\$ 7,375.00
Net Value of Property considered to be unaccounted for as of May 18, 2015	\$ -

Following are comments and corrective actions as requested in the memo dated May 22, 2015 from Mr. Mark Magli, Manager, Operational Audits.

1. Defibrillator, automatic external: This equipment is believed to have been sent to B-Stock with several others. There is no paperwork available to support when the defibrillator was sent.

Corrective Action: Since no paperwork was found to document the transfer of this equipment to B-Stock, a police report has been filed for the defibrillator. A copy of the police case number information is attached.

2. Dell Power Edge 2500 (Server). A scrivener's error was made on the paperwork provided for the server. The serial number typed on the transfer form was 500K201, which in fact should have been 50QK201.

Corrective Action: Pictures of the serial numbers will be taken for all equipment for confirmation and included in all paperwork when transferring equipment.

3. Camcorder Port Panasonic AG-455. This equipment was not included in the 30 day response provided to Ms. Rhonda Schaefer, Inventory Audit Specialist on May 6, 2015.

In 2013, a Panasonic VHS Movie System w/Case, Serial Number VW-SHM20 was transferred to B stock. This information was provided on September 23, 2013 as part of the 30 day response (attached) from Mr. Graziose to Stephanie Ormsby, Inventory Audit Specialist. I am unaware of any other VHS equipment that has ever been assigned to this department. Please ask the Property Audits Division to provide the date that this equipment previously appeared on our inventory. I will be glad to do further research on the item.

Should any further information be needed, or if I may be of any assistance, please call my office at 754-321-4200.

VS

Cc: Mark Magli, Manager, Operational Audits

Additional Information:



Sheriff Scott Israel

Broward Sheriff's Office
Broward County Florida
www.sheriff.org

BSO Case Number: 12-1505-00 3576
Deputy's Name: W. EREMAN 15137
District: 12
Phone: (954) 202-3131

BPI-AGD unable to document transfer-
05-40884 missing

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SAFETY DEPARTMENT

TELEPHONE (754) 321-4200

FACSIMILE: (754) 321-4285

September 23, 2013

To: Stephanie Ormsby, Inventory Audit Specialist
Office of the Chief Auditor

From: Jerry Graziose, Director
Safety Department

**RE: Property Inventory 30-Day Response for Fiscal Year 2013-2014
(Missing-New Found Items List)**

Per your request, here is our 30-day response, please see the attached transfer forms that are being sent to B-Stock, and were requested on 9/23/13, for the GBC Punching Machine, BPI#98-23793 and the Panasonic VHS Movie System with case, serial number #VW-SHM20.

Please see the attached Tangible Property Loss/Equipment Acquisition Form transfer request to the Safety Department #9536 sent on 9/20/13 to B-Stock for the Exercise Bike (Lifecycle), BPI#91-19043.

Should any further information be needed, or if I may be of any assistance, please call my office at 754-321-4200.

JG/cc

Attachments

The response memo provided from the prior audit does not correspond to the missing item from this current audit FY 2014-15.

ORIGINAL

MAILED

Emailed to B-stock 9-23-13

OF PAGES

The School Board of Broward County, Florida
 Capital Assets Activity form
 Surplus Declaration Transfer

☐ *SURPLUS (Principal / Director authorization signature required)

☒ TRANSFER (both issuing and receiving Principal / Director authorization signatures required)

Submit Surplus / Transfer Form to B-stock

Removal Assistance Required

☒ YES ☐ NO

Issuing Location #: 9536
 Location Name: Safety Dept
 Contact Name: Sandra Garcia Ondo
 Phone #: 754-321-4200

Receiving Location #: 9613
 Location Name: B-Stock
 Contact Name:
 Phone #: 754-321-8250

BPI Number <i>Refer to Asset Record download as needed</i>	Serial Number	Model Number	Equipment Description	Obsolete	Broken
98-23793	KH10531	111PM-3	GBC Punching Machine		X
None	None	None	MSA Air Tank	X	
None	None	None	MSA Air Mask	X	
None	None	None	MSA Air Mask	X	
None	60606332	None	Midland Public Alert System		X
None	VW-SHM20	None	Panasonic VHS Movie System w/Case	X	
None	None	None	Drager Air Tank w/Mask	X	
None	None	None	Drager Air Tank w/Mask	X	
None	None	None	Drager Air Tank	X	
None	None	None	Vanguard Air Tank w/Mask	X	
None	None	None	MSA Air Tank	X	

Equipment Transfer /
 Surplus Approved by:

Principal / Director (per Policy 3204)

Date: 9/23/13

Released by:

Jerry Graziose
 Please Print Name, Title

Date: 9/23/13

Director + Chief Fire Official

Sandra Ondo 9-23-13

Receipt of Transfer
 Acknowledged by:

Principal / Director (per Policy 3204)

Date: / /

Item(s) Delivered by:

Please Print Name, Title

Date: / /

Form 3290A
 Rev. 07/08

* Pick-Up Verification document from a SBBC approved removal agent should be retained for Audit Purposes as well (SURPLUS).

One of the previously "found" items was certified as surplus following the last property audit in FY 13-14.

BROWARD COUNTY PUBLIC SCHOOLS
OFFICE OF THE CHIEF AUDITOR - PROPERTY DIVISION
"NEW" / FOUND ITEMS REPORT

The items listed below were identified at your location during a recent physical property audit evaluation. These items were not added to the Master File of Assets prior to audit commencement. The Property Custodian is responsible for maintaining the accuracy of the site's asset roster of all SBBC purchases exceeding a historical cost of \$1,000. Please forward all necessary support paperwork to Accounting and Financial Reporting-Capital Assets (AFRCA) as soon as possible. Invoices or estimated values should be provided to assist in expediting this process. If you have certified that the historical cost is under \$1000, do not submit the items for acquisition. Place that support record/information in your property binder.

Total Found: 3

School Location # BPI	Description	Serial Num	Room #	Est. Historical Value
91-19043	Lifecycle 9500	02110029	119 Lounge	\$1,962.50
94-34013	CAMCORDER PORT	B3HB00043	109 cabinet	\$1,335.00
98-23793	GBC MACHINE, PUNCHING	KH10531	122a	\$2,600.00

I understand this report and my responsibility for requesting the addition of these items to the District Master File of Assets (PROP) by AFRCA (754-321-8250).


 Principal / Department Director

8-15-13

Date

An Optispool Report (954A) will be generated to provide record of the additions once AFRCA has processed your request(s).

Patrick Reilly, Chief Auditor

School Name: Seagull Alternative High School 0601
Principal Name: Mr. Bonnie Clemon Jr.

Address: 425 SW 28th Street
Ft. Lauderdale, FL 33315

Total Number of Items in Inventory:	582
Total Dollar Cost of Items in Inventory:	\$719,192
Total Number of Items Unaccounted for:	7
Total Dollar Cost of Items Unaccounted for:	\$9,860
Total Net Value of Items Unaccounted for:	\$3,685

The expectations for monitoring and safeguarding District assets are defined by Business Practice Bulletin O-100. Policies, procedures and best practices should be reviewed with all staff to ensure proper compliance and procedural effectiveness.

Conducting 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. Laptop technology and other mobile equipment is often vulnerable to misappropriation if not closely monitored.

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.

The location will request an electronic copy of its PNI 811 report from Information & Technology – Production Control.

Appropriate staff will physically verify that each property item listed on the PNI 811 report is accounted for on premises or there is a current Property Pass executed for tangible personal property assigned to individuals (Business Practice Bulletin O-100).

All record information should be certified as accurate and complete. Optispool PNI 954 Reports are provided to all school administrators as notifications of change to their designated asset rosters. 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. All lower valued (less than \$1,000) high risk equipment should be tracked in the location's secondary tracking database as well.

Property Team

Functional back up and collaborative roles should be developed to increase the efficiency of securing equipment, archiving support documentation and utilizing a centralized property binder as well as a 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 Principal and involved staff should maintain access to these items at all times. Tracking information should be updated as soon as any activity affecting the status of the equipment occurs.

(Seagull Alternative High School continued)

Record Information

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 Tangible Property Loss/ Equipment Acquisition Form signed by the property custodian with invoices or estimated values authorizing Accounting & Financial Reporting Department - Capital Assets to add these property items to the Master File of Capital Assets database (Business Practice Bulletin O-100).

During the prior audit, twenty one items were identified at the location that were not recorded in the Master File of Assets. Those items were supposed to be documented and reported by the school to AFRD-CA for addition to the District's Master File of Assets. The location has provided documents for those items dated February 7, 2014. They were not completed correctly. Since the items were not added/recorded, the school should have contacted the Accounting & Financial Reporting Department - Capital Assets (AFRD-CA) to ensure the process was completed. Two items, *Projector, Epson Powerlite* serial #GDQG540250F and *Printer, Lexmark T630* serial # 9923K4L, could not be provided for physical verification during this audit.

Surplus-Transfer Activity

Procedures related to the recording and execution of the removal process for 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 (Asset Record Deletions) to ensure that accurate processing occurs via the AFRD-CA. When items are declared unusable or unsafe, school staff must adhere to the protocols for removing assets from the location physically as well as from the location's designated Master File of Assets roster.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
The Office of the Chief Auditor
Property Division
2014-15

Items not accounted for : **Seagull Alternative High School 0601**

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1	13-02616	APPLE IMAC INTEL W/21.5" UPGRADED LED	\$ 1,270.88
2	13-02605	APPLE IMAC INTEL W/21.5" UPGRADED LED	\$ 1,270.88
3	13-02604	APPLE IMAC INTEL W/21.5" UPGRADED LED	\$ 1,270.88
4	07-13815	PRINTER LEXMARK T640N B/W LASER	\$ 1,198.00
5	04-07822	PRINTER, LEXMARK T630N B/N LASER	\$ 1,394.00
6		Projector, Epson PowerLite (GDQG540250F)	\$ 2,221.00
7		Printer, Lexmark T630 (9923K4L)	\$ 1,234.00

Total Historical Cost of Property unaccounted for as of May 18, 2015	\$ 9,859.64
[1]Total Accumulated Depreciation as of May 18, 2015	\$ 6,174.96
Net Value of Property considered to be unaccounted for as of May 18, 2015	\$ 3,684.68

[1] Based upon class life used by the Accounting and Financial Reporting Department

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

Date: June 4, 2015

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**
SEAGULL ALTERNATIVE HIGH SCHOOL FOR FISCAL YEAR 2014-2015

The Office of School Performance and Accountability has reviewed the property and inventory audit findings for Seagull Alternative High School. These audit findings have been discussed with the Principal, Bonnie Clemon Jr., 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 through progressive discipline.

If additional information is needed, please let me know.

DKB/VSW:dah

cc: Dr. Valerie Wanza, Director, Office of School Performance and Accountability
Bonnie Clemon Jr., Principal, Seagull Alternative High School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

SEAGULL ALTERNATIVE HIGH SCHOOL
Mr. Bonnie Clemon, Jr., Principal
Ms. Charisse Mosley, Intern Principal
425 Southwest 28 Street
Fort Lauderdale, Florida 33315
Telephone 754-321-7300
Facsimile 754-321-7340

SCHOOL BOARD
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LAURIE RICH LEVINSON
ANN MURRAY
NORA RUPERT

ROBERT W. RUNCIE
Superintendent of Schools

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

FROM: Bonnie Clemon Jr., Principal
Seagull Alternative High School 0601

DATE: May 27, 2015

I am writing to submit the final response to the 2015 PNI audit for Seagull Alternative High School.

In an effort to prevent the loss of equipment the following procedures will be implemented:

- All transfer and/or acquisition forms will be completed and reconciled with the corresponding Optispool reports monthly.
- Any outstanding transfers or acquisitions will be resubmitted to Capital Assets for immediate Follow-up until the Optispool report has been completed.
- All surplus equipment will continue to be placed in a designated area and two employees will check the surplus forms for accuracy before they are submitted.
- The principal will review the inventory notebook quarterly to ensure the accuracy of all forms and reports.

The aforementioned procedures will be initiated at once and performed along with the existing procedures including quarterly inventory checks by PNI designates, administrative spot checks, PNI notebook and database maintenance, and proper receipt of new equipment

These additional actions should ensure an accurate accounting of the equipment at this location.

BC/kg
Attachment

School Name: Hollywood Hills High 1661
Principal's Name: Ms. Lourdes Gonzalez
Address: 5400 Stirling Road
Hollywood, Florida 33021

Total Number of Items in Inventory:	1,551
Total Dollar Cost of Items in Inventory:	\$1,929,018
Total Number of Items Unaccounted for:	27
Total Dollar Cost of Items Unaccounted for:	\$40,149
Total Net Value of Items Unaccounted for:	\$2,370

The expectations for monitoring and safeguarding District assets are defined by Business Practice Bulletin O-100. Policies, procedures and best practices should be reviewed with all staff to ensure proper compliance and procedural effectiveness.

Conducting 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.

The school's staff should actively monitor the current list of equipment assigned to the location to ensure that asset information is accurately recorded in the Master File of Assets. All items with a purchase value exceeding \$1,000 must be submitted to Accounting & Financial Reporting -Capital Assets (AFRD-CA) for addition if they are not captured subsequent to the standard receiving process. Notifications of informational changes and additions to the Master File of Assets are provided to the location's administrator via the Optispool PNI 954 reports.

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.

The location will request an electronic copy of its PNI 811 report from Information & Technology – Production Control.

Appropriate staff will physically verify each property item listed on the PNI 811 report is accounted for on premises or there is a current Property Pass executed for tangible personal property assigned to individuals (Business Practice Bulletin O-100).

New Found Items Reported

Four hundred and seven items were located at the school that did not appear in the Master File of Assets. The school has provided support information and/or Equipment Acquisition Forms to have several items added in alignment with the state and District requirements for recording and monitoring fixed assets with a purchase value exceeding \$1,000. For three hundred and ninety items, the historical cost was certified, by invoice, to be below the value of assets captured by AFRD-CA for tracking, but should be maintained in the school's secondary database and secured accordingly. Support records for the items identified in the New Found Items Report should be kept in the location's property binder for future audit review. This is a repeat condition. Five

(Hollywood Hills High continued)

items identified during last year's property audit were not addressed and could not be reconciled during the current inventory.

Secondary Database

Business Practice Bulletin O-100 establishes the procedures for schools to track all high risk equipment at their locations. A Filemaker Audit Utility database is provided to the site's administrator as a reference or possible "starting point" during every property audit conducted by the Office of the Chief Auditor.

Although tangible personal property purchases with a unit value of 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 (Business Practice Bulletin O-100).

The site maintained tracking database should be expanded to include all laptop, audio-visual, band and program specific specialized high risk equipment. This equipment must be adequately secured and monitored with fidelity during the year to safeguard against unrecognized loss.

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. The Principal and involved staff should maintain access to these items at all times. 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. All staff members should be made aware of the expectations for verifying and securing equipment. A check of those controls should be conducted to ensure that established standards are effectively maintained.

Surplus of Tangible Personal Property

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 (Business Practice Bulletin O-100).

The Inventory Audit Specialist identified several items that were not being utilized or were not functional during the physical inventory. It was suggested that the school survey the facility and staff members to determine the usability of aging equipment and subsequently schedule an organized collection of the surplus items. When items are declared unusable or unsafe, school staff must adhere to the protocols for accurately documenting and physically removing assets from the location. It is imperative that school staff makes sure that the Master File of Assets is subsequently modified to reflect the removal activity. Copies of the applicable Surplus Declaration Forms should be maintained in the school's property binder for future reference as needed.

(Hollywood Hills High continued)

Musical Equipment

Since music area equipment is frequently assigned into the custody of students and is involved in off-campus uses, it is necessary for instructors to maintain perpetual inventory records of all musical equipment (Standard Practice Bulletin I – 202).

A uniform process for the physical verification of musical equipment is recommended in alignment with the established District procedures. All musical instrument records should be updated and physically verified periodically during the year. A new band instructor was hired at the start of the year. It is unknown if all instruments, inclusive of instruments with a purchase value less than \$1,000, were present at the time of his appointment. The administration has expressed a commitment to work on updating the database record for this area.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
The Office of the Chief Auditor
Property Division
2014-15

Items not accounted for : **Hollywood Hills High 1661**

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1	13-00331	SCANNER, IMAGE CANON DR-6010C	\$ 2,480.00
2	08-83141	COMPUTER, DELL OPTIFLEX 745	\$ 1,068.00
3	08-04705	DELL LAPTOP D630 W/DVD-RW/14.1"DISPLAY	\$ 1,458.00
4	07-80275	CHORAL COND. SYSTEM	\$ 1,929.62
5	07-80173	PICCOLO, EMERSON MODEL EP6	\$ 1,131.00
6	07-03417	CAMCORDER, PANASONIC AG-DVC30P	\$ 1,768.00
7	A07-84020	COMPUTER DELL GX520	\$ 1,098.00
8	05LD03712	Dell-Refresh Laptop	\$ 1,418.35
9	05LA29743	Apple-Refresh Laptop	\$ 1,395.62
10	05-52368	POLE VAULT PIT	\$ 1,364.93
11	02-83215	COMPUTER, APPLE IMAC	\$ 1,642.36
12	02-06510	Computer, Dell GX150	\$ 1,343.25
13	02-06489	COMPUTER, DELL GX 150	\$ 1,343.25
14	02-06454	COMPUTER, DELL GX 240D	\$ 1,705.00
15	00-04401	SYSTEM, IMAGE CAPTURE VAICAM	\$ 2,160.00
16	93-20485	PROJECTOR SHARP XG 1100U /CASE	\$ 3,270.81
17	94-10451	SYSTEM EDITING PANASONIC AGA 95/AG 1960	\$ 2,290.00
18	94-12549	BASSOON FOX RENARD 41 GERMAN SYSTEM	\$ 1,679.00
19	94-19899	OBOE FOX ARTIST 400	\$ 1,944.00
20	94-28359	CLARINET BBB CONTRABASS PERFORMING METAL	\$ 3,094.00
21	98-13728	COMPUTER, POWER MAC G3	\$ 2,467.00
22	99-08706	COMPUTER, DELL GX1/T	\$ 2,099.00
23		Laptop, Dell E5430 (9D0S7W1)	\$ -
24		Camcorder Panasonic 750 Zoom (C5HK00384)	\$ -
25		Computer, Dell Optiplex 7010 (7BSV DX1)	\$ -
26		Computer, Laptop Dell E6410 (H4C63Q1)	\$ -
27		Computer, Laptop Dell E6410 (GPB63Q1)	\$ -

Total Historical Cost of Property unaccounted for as of May 18, 2015	\$	40,149.19
[1]Total Accumulated Depreciation as of May 18, 2015	\$	37,779.27
Net Value of Property considered to be unaccounted for as of May 18, 2015	\$	2,369.92

[1] Based upon class life used by the Accounting and Financial Reporting Department

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

Date May 27, 2015

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**
HOLLYWOOD HILLS HIGH SCHOOL - FISCAL YEAR 2014-15

The Office of School Performance and Accountability has reviewed the property and inventory audit findings for Hollywood Hills High School. These audit findings have been discussed with the Principal, Lourdes Gonzalez, and she 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 through progressive discipline.

If additional information is needed, please let me know.

DKB/AS:mag

cc: Alan Strauss, Director, Office of School Performance and Accountability
Mark Magli, Manager, Property Audits Division
Lourdes Gonzalez, Principal, Hollywood Hills High School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

HOLLYWOOD HILLS HIGH SCHOOL
Lourdes Gonzalez, Principal
5400 Stirling Road
Hollywood, FL 33021
Telephone - 754-323-1050
Facsimile - 754-323-1180

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JAMES J. HARRIS

May 22, 2015

TO: Dr. Desmond Blackburn
Chief School Performance and Accountability Officer

FROM: Lourdes Gonzalez 
Principal, Hollywood Hills High School

SUBJECT: AUDIT REPORT ON PROPERTY & INVENTORY RESPONSE
FISCAL YEAR 2014 - 2015

Hollywood Hills High School is responsible for 22 missing items that are valued over \$1,000 each. The Hollywood Hills administration and the Property and Inventory team are committed to resolving the issues that have led us to misplacing these items from our property and inventory as well as obtaining proper invoice records for the New Found Items. The major areas of concern are the band equipment, audio visual equipment, and maintaining the proper paperwork of damaged and obsolete items within the school.

Conducting Self Inventories

To strengthen the property and inventory process at HHHS, we have put into place a Property and Inventory Team consisting of our Band Director, Athletic Director, TV Production Sponsor, Head Custodian, Media specialist, and Micro Tech. We will also be adding a paid supplement for a Property and Inventory Leader. Each member of the team will have their assigned equipment on a database and will be responsible for quarterly checks of their equipment. The P&I team will meet quarterly after physically checking on the locations of the items listed on their current PNI 811 file. The team will discuss their assigned inventory status monthly and notify the administrator and the team of any concerns they are having and updates made.

New Found Items Report

As soon as an item is delivered to our school our Micro Tech, P&I leader, and Bookkeeper will reach out to the Business Center for a copy of that invoice to keep in their Inventory binders. If the item is over \$1,000 it will be immediately added to the PNI 954 report and team members will

verify that the addition shows on the Optispool. If the equipment is under \$1,000 we will add it to our under \$1,000 Secondary Database and members of the P&I team will be notified and add it to their individual under \$1,000 database as well.

Secondary Database

There is a Secondary Database of items considered high risk and under \$1000 that we keep at the school. We will accurately maintain and update this database. Members of the P&I Team will keep their own under a \$1000.00 database for his or her assigned area.

The Micro Tech and the P&I leader will manage and monitor all Secondary Site-based equipment considered high risk and under \$1,000 including all laptops, audio visual, band, and program specific equipment. This equipment will be secured, and the location tracked as well as checked throughout the year to prevent loss.

Property Team

Adding the additional P&I leader to the Inventory team will help with the oversight responsibility. We also plan to use the remaining administrative team to check on the equipment periodically throughout the year. This cross checking of equipment will help secure the items in our inventory, identify if new items are found, and secure proper paperwork if needed.

Surplus of Tangible Personal Property

As indicated in the report we will conduct a surplus of tangible personal property twice per year. The proper paperwork will be filled out and kept at the time of collection. This paperwork will be stored properly and surplus items will be discussed during the monthly meetings. All team members will follow the proper process when surplus items.

Musical Equipment

The Band Director understands the expectations and will keep accurate records of all band equipment and Property Passes. The Band Director will conduct quarterly checks on the equipment and accurately maintain both the over and less than \$1,000 band database. Any items that are transferred from school to school will be properly documented and the location of the items will be identified.

Hollywood Hills High School's administration and the Property and Inventory Team are committed to improving the management of our property and inventory. The above steps will be put in place to secure and monitor all equipment currently on campus and all new equipment that is given to our school.

School Name: C. Robert Markham Elementary 1671
Principal's Name: Mr. Thaddeus Smith

Address: 1501 NW 15th Avenue
Pompano Beach, Florida 33069

Total Number of Items in Inventory:	552
Total Dollar Cost of Items in Inventory:	\$962,181
Total Number of Items Unaccounted for:	15
Total Dollar Cost of Items Unaccounted for:	\$31,194
Total Net Value of Items Unaccounted for:	\$3,239

The expectations for monitoring and safeguarding District assets are defined by Business Practice Bulletin O-100. Policies, procedures and best practices should be reviewed with all staff to ensure proper compliance and procedural effectiveness.

Conducting 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.

The school's staff should actively monitor the current list of equipment assigned to the school to ensure that asset information is accurately recorded in the Master File. All items with a purchase value exceeding \$1,000 must be submitted to Accounting & Financial Reporting Department-Capital Assets (AFRD-CA) for addition if they are not captured subsequent to the standard receiving process. Notifications of informational changes and additions to the Master File of Assets are provided to the location's administrator via the Optispool PNI 954 reports.

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.

The location will request an electronic copy of its PNI 811 report from Information & Technology – Production Control.

Appropriate staff will physically verify that each property item listed on the PNI 811 report is accounted for on premises or there is a current Property Pass executed for tangible personal property assigned to individuals (Business Practice Bulletin O-100).

Mr. Smith submitted a document to AFRD-CA in October 2014 as a certification of asset record information and a physical confirmation of select equipment. During this current evaluation (start date March 2, 2015) the school has suggested that the equipment was acknowledged in error without an actual confirmation. Internally performed inventories are required to be conducted by locations. School staff must review the record information and certify the physical location of all equipment. It is unknown if the noted items were authorized to be removed or were ever actually physically certified by the current staff.

(Markham Elementary continued)

Additionally, items that are transferred to a location need to be certified by the school's staff when the items are delivered. As a result of a transfer exchange, twenty eight of twenty nine network components were reconciled. One item, R14-80389 *HP 24 Port 10/100/1000 POEV2 ZL* serial # *SG3097RN39* has not been located. Internal system screen shots were provided by a third party vendor via Instructional Technology (IT) to support that most components were installed and are operational. Select components are located inside chassis and cannot be accessed while the system is operational.

All record information should be certified as accurate and complete. A PNI 954 Optispool Report is provided to all school administrators as a notification of changes to their designated asset roster. 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. All lower valued (less than \$1,000) high risk equipment should be tracked in the location's secondary tracking database as well.

Property Team

Functional back up and collaborative roles should be developed to increase the efficiency of securing equipment, archiving support documentation and utilizing a centralized property binder as well as a 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 Principal and involved staff should maintain access to these items at all times. Tracking information should be updated as soon as any activity affecting the status of the equipment occurs.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
The Office of the Chief Auditor
Property Division
2014-15

Items not accounted for : **C. Robert Markham Elementary 1671**

	BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1	R14-80389	HP 24-PORT 10/100/1000 POEV2 ZL	\$ 3,239.10
2	05LA12042	Apple-Refresh Laptop	\$ 1,395.62
3	05LA12065	Apple-Refresh Laptop	\$ 1,395.62
4	05-56222	FURNITURE, RECEPTION STATION	\$ 3,275.00
5	02-16968	MODULE, WORKSTATION (1671)	\$ 1,001.90
6	02-16969	MODULE, WORKSTATION (1671)	\$ 1,082.05
7	02-16970	CABINET,UPPER (1671)	\$ 2,875.45
8	02-17413	MAILBOX 112 SPACES (1671)	\$ 2,730.00
9	02-16346	CABINET UPPER	\$ 3,085.85
10	02-16347	MODULE WORKSTATION	\$ 1,082.05
11	02-16348	STATION RECEPTION	\$ 3,596.82
12	02-16349	CABINET, BASE	\$ 1,202.28
13	02-16350	CABINET UPPER	\$ 2,103.99
14	02-16352	CABINET, LOWER	\$ 1,653.14
15	84-10399	UNIT HOSPITAL PATIENT 11671 W/ACCESS.	\$ 1,475.50

Total Historical Cost of Property unaccounted for as of May 18, 2015	\$ 31,194.37
[1]Total Accumulated Depreciation as of May 18, 2015	\$ 27,955.27
Net Value of Property considered to be unaccounted for as of May 18, 2015	\$ 3,239.10

[1] Based upon class life used by the Accounting and Financial Reporting Department

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

June 10, 2015

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**
FISCAL YEAR 2014-2015 – ROBERT C. MARKHAM ELEMENTARY

The Office of School Performance and Accountability has reviewed the property and inventory audit findings for Robert C. Markham Elementary School. These audit findings have been discussed with the Principal, Thaddeus Smith, 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 through progressive discipline.

If additional information is needed, please let me know.

DKB/FC:saw

cc: Fabian Cone, Director, Office of School Performance and Accountability
Thaddeus Smith, Principal, Robert C. Markham Elementary School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

C. ROBERT MARKHAM ELEMENTARY
Thaddeus E. Smith Jr., Principal
1501 NW 15 Avenue, Pompano Beach, FL 33069
Phone: (754) 322-6950 – Fax: (754) 322-6990

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NORA RUPERT

ROBERT W. RUNCIE
Superintendent of Schools

June 10, 2015

TO: Dr. Desmond Blackburn

FROM: Thaddeus E. Smith, Jr. *TS*

SUBJECT: **C. Robert Markham Elementary Property and Inventory Response**

This memorandum is in response to the Property & Inventory Audit conducted at C. Robert Markham Elementary School conducted on March 2, 2015. Findings below are from a thorough review of the audit details regarding items that were stolen/lost or not accounted for from our campus. The following items addressed are:

1	R14-80389	HP 24-PORT 10/100/1000 POEV2 ZL
2	05LA12042	Apple-Refresh Laptop
3	05LA12065	Apple-Refresh Laptop
4	05-56222	FURNITURE, RECEPTION STATION
5	02-16968	MODULE, WORKSTATION (1671)
6	02-16969	MODULE, WORKSTATION (1671)
7	02-16970	CABINET, UPPER (1671)
8	02-17413	MAILBOX 112 SPACES (1671)
9	02-16346	CABINET UPPER
10	02-16347	MODULE WORKSTATION
11	02-16348	STATION RECEPTION
12	02-16349	CABINET, BASE
13	02-16350	CABINET UPPER
14	02-16352	CABINET, LOWER
15	84-10399	UNIT HOSPITAL PATIENT 11671 W/ACCESS

To ensure that procedures for accurate property inventory are implemented at C. Robert Markham Elementary, the Principal will monitor implementation of procedures with the Property Inventory Team of such items:

- All systems and procedures outlined in the Best Practice Bulletin 0-100 for Property and Inventory are followed. C. Robert Markham Elementary will store surplus items in a locked room until B-stock arrives to remove those items.
- Missing items will be immediately reported to administration, the Micro-Computer Tech, and the SRO.
- Quarterly Property Inventory review using a "hands on all" item reconciliation will be completed to ensure an accurate physical accounting of site designated assets by the staff.
- The school's staff will actively monitor the active list of equipment assigned to the school to ensure that asset information is accurately recorded in the Master File.
- All items with a purchase value exceeding \$1,000 will be submitted to Accounting & Financial Reporting (AFRD) for addition if they are not captured subsequent to the standard receiving process.
- A functional back up property team with defined roles will be developed to increase the efficiency of securing equipment, archiving support documentation and utilizing a centralized property binder as well as a locally managed equipment tracking database.

Thank you for your advice and patience.