

**SUMMARY OF AUDIT ACTIVITIES FOR THE 2014-2015 FISCAL YEAR
AND
PROPOSED AUDIT PLAN FOR THE 2015-2016
FISCAL YEAR FOR THE
OFFICE OF THE CHIEF AUDITOR**

To be presented to the:

AUDIT COMMITTEE

on

JUNE 18, 2015

and

The SCHOOL BOARD of BROWARD COUNTY, FLORIDA

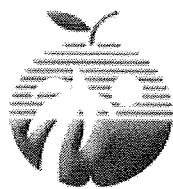
on

JULY 28, 2015

BY

THE OFFICE OF THE CHIEF AUDITOR

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA



Broward County Public Schools

The School Board of Broward County, Florida

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Dr. Rosalind Osgood, *Vice Chair*

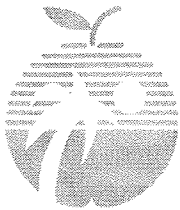
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Superintendent of Schools

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THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

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Office of the Chief Auditor
Patrick Reilly, Chief Auditor
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SCHOOL BOARD

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Superintendent of Schools

June 11, 2015

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

Ladies and Gentlemen:

I am pleased to submit this report in accordance with School Board Policy 1002.1 – Office of the Chief Auditor (OCA), which states: “The Chief Auditor of the OCA will develop a written Audit Plan consisting of a listing of the audits to be performed during the fiscal year and submit such plan to the Audit Committee. Upon approval by the Audit Committee, the plan will be transmitted to the School Board and the Superintendent for approval.” In addition, I have included a Summary of Audit Activities for the 2014-2015 year, which identifies the audits, reviews and services provided by our office; specifically, the reports were related to Construction, Internal Funds, Operations, Property and Inventory, Payroll and Grants. The services we performed included training, participation on various committees, responding to requests from District administrators, assisting the Charter Schools Management/Support Office, Audit Committee and external audit firms.

During this fiscal year, we submitted over 30 reports to the Audit Committee, as well as researching and responding to multiple Audit Committee follow up requests. We worked closely with the Broward District Schools Police Department and the State Attorney’s Office on several investigations related to Internal Funds, Payroll, and Charter Schools.

In addition, we pursued and collected \$325,100 in reimbursable design fees from a 2007 agreement with a municipality for a completed construction project. This reimbursement was never billed to the municipality by the District, in accordance with the contract approved by the Board on January 15, 2008.

The Proposed Audit Plan for 2015-2016 includes required audits per Florida State Statutes and School Board Policies, as well as operational audits of various District departments. As always, we look forward to your input, so that our Audit Plan can be finalized for the new fiscal year.

Last, but not least, I would like to thank the Superintendent, the Audit Committee and the School Board for their support of the internal audit function. Our goal is to continue to be an independent appraisal function to examine and evaluate activities of the District.

This report will be presented to the Audit Committee at its June 18, 2015 meeting and to the School Board at its July 28, 2015 meeting.

Sincerely,

Patrick Reilly, CPA, Chief Auditor
Office of the Chief Auditor

PR:pm

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INTRODUCTION

**The Office of the Chief Auditor
Audit Plan for Fiscal Year 2015-2016**

INTRODUCTION

Internal auditing is an independent appraisal function established within the school system to examine and evaluate the District's operations as a service to the organization. The primary objective of the Office of the Chief Auditor (OCA) is to assist District management in the performance of their responsibilities. OCA furnishes analyses, recommendations, counsel and information concerning the activities reviewed.

The scope of the internal audit work encompasses the examination and evaluation of the adequacy and effectiveness of the organization's system of internal control and the quality of performance in carrying out assigned responsibilities. It is our responsibility to provide reasonable assurance that internal controls are in place to achieve the following:

- Reliability and integrity of information.
- Compliance with policies, plans, procedures, laws and regulations.
- Safeguarding of assets against unauthorized acquisition, use and/or disposition.
- Effective and efficient use of resources.
- Accomplishment of established objectives and goals for operations and programs.

Our Audit Approach

In order to accomplish our primary objective and to assume additional responsibilities, we will continue to streamline the audit process to increase productivity within the office. Additionally, we will continue to reallocate office resources to focus on the high-risk areas that are critical to meeting the goals and mission of the District. Our approach is to identify and quantify systemic problems and determine if adequate internal control procedures are in existence which can prevent significant deficiencies from going undetected. In an effort to promote accountability at all levels of the District, reports and findings are summarized to provide useful information to the District Administration.

Management is responsible for setting operating standards to measure an activity's effective and efficient use of resources. It is also responsible for establishing operating goals and objectives, developing and implementing control procedures, and accomplishing desired operating results. Internal auditors are responsible for determining if:

- Operating standards have been established for measuring economy and efficiency.
- Established operating standards are understood and are being met.
- Deviations from operating standards are identified, analyzed, and communicated to those responsible for corrective action.
- Corrective action has been taken.

We continue to focus our audits in the areas of effective and efficient use of resources and the accomplishment of established goals and objectives for operations or programs. We will continue this endeavor next year.

OCA is guided by the Governmental Auditing Standards (the “Yellow Book”) issued by the Comptroller General of the United States. OCA is committed to implementing these standards which encompass:

- Maintaining the independence of the internal auditing department from the activities audited, and the objectivity of internal auditors.
- Ensuring the proficiency of internal auditors and the professional care they exercise.
- Determining the scope of internal auditing work.
- Planning and conducting internal auditing assignments.
- Maintaining quality control and assurances.

We believe that these Standards enhance and improve the professionalism of the department.

SUMMARY OF AUDIT ACTIVITIES

FOR THE 2014-2015 FISCAL YEAR

The Office of the Chief Auditor
Summary of Audit Activities for the 2014-2015 Fiscal Year

FACILITY AUDITS

1. Performed a Review of Purchasing Card (P-Card) Purchases and Expenditures within the Physical Plant Operations (PPO) Department.
2. Performed a Review of Construction Services Minor Projects Bid No. 2014-35-FC.
3. Performed a Review of Hallandale High Roof Replacement Project No. P000889.
4. Performed a Current Status Update of McGladrey, LLP's Operational Review of the Office of Facilities and Construction.
5. Collaborated with external auditing firm to perform a financial close-out of Boyd Anderson High School and review self-performing construction work (ongoing).
6. Pursued and collected \$325,100 in reimbursable design fees from a 2007 agreement with a municipality for a completed construction project. This reimbursement was never billed to the municipality by the District, in accordance with the contract approved by the Board on January 15, 2008.
7. Monitored and attended Bid Openings and reviewed bid tabulations.
8. In conjunction with the Office of Facilities and Construction, provided input to the Qualification Selection Evaluation Committee (QSEC) and monitored the activities to strengthen the procurement process over professional services and construction contracts. The Office of the Chief Auditor is a non-voting member of this committee.
9. Reviewed amendments to revised Open End Contracts for Professional Services related to A/E fees and recommendations to contracts made by the external construction auditing firm, i.e. Right to Audit Clause.
10. Participated in seminars on accounting and auditing of construction activities.

AUDIT OF INTERNAL FUNDS

1. Performed audits of the Internal Funds of Schools and Centers for the 2013-2014 fiscal year and presented the audit reports to the Audit Committee. Several audits pertaining to prior years were completed during the 2014-2015 fiscal year. Seven separate reports were issued throughout the year. As of June 9, 2015, there were several schools' audits pertaining to prior fiscal years which were scheduled, in-

process, or in the management review phase. The field work for these schools will be completed by September 30, 2015 and will be combined with the schools' audits pertaining to the year ended June 30, 2015 that will be performed during the 2015-2016 school year.

2. Performed reviews of Independent School Related Organizations' activities at the request of the Superintendent.
3. Reviewed payroll procedures and records at all schools and centers.
4. Reviewed After-School Care and Community School Programs.
5. Assisted the Business Support Center on procedures pertaining to Standard Practice Bulletins, i.e. I-305 Disbursements, I-306 Month End Closing, Bank Reconciliation and Principal's Monthly Report, I-406 – Field Trips Information, Required Paperwork Teacher Information Packet, etc.
6. Met quarterly with the Business Support Center's management staff to discuss internal accounting procedures for Bookkeepers and Budget Support Specialists.
7. Surveyed schools and centers after completion of each audit in order to obtain feedback from the schools' administration regarding our auditing services.
8. Provided assistance to school Administrators and Bookkeepers related to Standard Practice Bulletins, Business Practice Bulletins and School Board Policies that govern accounting for Internal Funds at schools and centers.
9. Collaborated with Broward District Schools Police on potential fraud cases presented by our Office on several investigations, which are pending or resolved.
10. Collaborated with the State Attorney's Office on several investigations related to Internal Funds operations.
11. Collaborated with Dade County Public Schools on several audit issues related to internal funds.
12. Assisted Cadre Directors with monitoring Internal Funds in schools with audit exceptions.
13. Identified yearbook vendor overcharges, which led to monetary recoveries.
14. Performed site visits and assisted school staff in resolving audit exceptions and monitoring their Internal Funds Accounts.
15. Performed training for staff related to internal audit policies and procedures.

16. Worked with schools to provide assistance regarding Independent School Related Organizations' activities.
17. Worked with the Business Support Center to address several issues with the Great Plains accounting system.
18. Identified food service non-compliance issues regarding food preparation with vendors purchased with internal funds, which resulted in proposed changes to procedures.
19. Analyzed Senior Prom collections and expenditures of various high schools to compare costs and review purchasing compliance.
20. Performed Athletic ticket inventory verification prior to the start of the school year.
21. Reviewed Faculty/Sunshine Club procedures at various schools.
22. Maintained correspondence with BTU and Broward Principals and Assistants Association over internal fund procedures.

PROPERTY AND INVENTORY (P&I)

1. Performed Property Audits of schools, centers and departments and assisted District staff with monitoring and accounting for fixed assets at each location. A total of seven audit reports were issued containing 232 locations, in which over \$357 million in property was listed in the property records. A total of 779 items were unaccounted for with a historical cost that exceeded \$1.7 million. As of June 9, 2015, there are 47 additional locations that are assigned, in progress or scheduled for property management review. Those audits will be finalized and submitted for processing/record amendment via Accounting & Financial Reporting upon completion. All completed locations will be reported to the Audit Committee by September 2015 along with any additional assignments scheduled for completion during the summer work session.
2. Assisted with the correction of asset records due to missing serial numbers or serial numbers not properly recorded when receipt of goods procedures were performed.
3. Performed follow-up reviews for those locations that had audit exceptions in order to determine whether internal control procedures were implemented.
4. While conducting physical inventories, we identified items that were not included in the District's Master File of Capital Assets database, which were subsequently added to the locations' inventory records.

5. Conducted Property and Inventory audits including taking digital photos of classrooms and building contents as part of the process of substantiating assets purchased by Charter Schools with FTE funding. We coordinated the return of Charter School assets to the District that were purchased with FTE funds related to closed Charter Schools.
6. Provided internal control procedures and reviewed Business Practice Bulletin O-100 – Procedure for Property and Inventory Control with District staff, as requested.
7. Reviewed Schedule of Assets identified for surplus and removal from asset records prior to submission to School Board for approval of write-off of assets.
8. Assisted several departments in responding to the State Auditor General's report related to reconciliation of assets to property records and assisted management with procedures for disposal of obsolete/surplus property.
9. Assisted schools and departments with maintaining a secondary site based tracking database for items valued at less than \$1,000 that are high risk items, such as computers, cameras, LCD projectors, musical instruments and custodial equipment.

OPERATIONAL AUDITS

1. Performed a Review of the Resident on Campus Security (ROCS) Program.
2. Performed a Review of the Family Counseling Behavioral Health Program Grant for the Period Ended September 30, 2014.
3. Coordinated and assisted Program Reviewer from Broward County Community Partnerships Division/Children's Services in connection with the Family Counseling grant.
4. Assisted the external auditor with the Independent Accountant's Agreed-Upon Procedures Report on SBBC's Workers' Compensation Transition to Self-Administration.
5. Assisted the State auditors with the Department of Management Services – Office of Inspector General – Florida Retirement Systems (FRS) Compliance Audit of Broward County Public Schools.
6. Coordinated District and Charter School responses to findings/recommendations reported in the State Auditor General's Florida Education Finance Program (FEFP) Full-Time Equivalent (FTE) Students and Student Transportation Audit for the Fiscal Year ended June 30, 2014.

7. Assisted in coordinating formal appeals related to Charter School audit findings for the State Auditor General's Florida Education Finance Program (FEFP) Full-Time Equivalent (FTE) Students and Student Transportation for the Fiscal Year Ended June 30, 2012.
8. Prepared a written response to the Joint Legislative Auditing Committee pertaining to corrective action taken for audit findings that had been reported in three successive external auditor's Management Letters.
9. A summary report of the Evergreen Solutions, LLC – Independent Review of ESE Services in Broward County Public Schools was presented to the Audit Committee.
10. A summary report of the State of Florida Auditor General's Report #2014-203 – Review of Charter School, Charter Technical Career Center, and District School Board 2012 Fiscal Year Audit Reports Prepared by Independent Certified Public Accountants was presented to the Audit Committee.
11. A summary report of the State of Florida Auditor General's Report #2015-004 – Report on Significant Financial Trends and Findings Identified in Charter School and Charter Technical Career Center 2012-13 Fiscal Year Audit Reports was presented to the Audit Committee.
12. Presented Cummings-Grayson & Co., P.A. – External Quality Control Review of the Broward County Public Schools Office of the Chief Auditor to the Audit Committee.
13. Monitored the close-out of the Utilities Auditing and Billing Review which related to reducing water expenditures for the District.
14. Performed a review of purchases paid from General Funds, in conjunction with the Audits of Internal Funds, for selected schools, i.e. band uniforms, bus transportation, etc.
15. Submitted annual reports to the Data Clearinghouse and other agencies as required by the Annual Financial Reporting requirements.
16. Performed year-end inventories of various schools' and centers' bookstores throughout the District.
17. Attended training sessions for the FOCUS software program.
18. Tested security clearance requirements and rescreening procedures managed by the Broward District Schools Police Department to ensure records are updated and maintained properly.
19. Assisted Operations management with informal reviews of internal control procedures, as requested, i.e. new parking lot contract.

20. Sampled ESE Gifted funding allocations to Middle School teachers to ensure gifted funds were properly coded to students identified as ESE Gifted students.
21. Reviewed multiple contracts to ensure that they contained the appropriate Right to Audit clauses.
22. Reviewed travel vouchers to test compliance with procurement policies and procedures in conjunction with audits of Internal Funds.

PAYROLL

1. Performed reviews of payroll procedures and payroll records (regular and overtime hours) in conjunction with the audits of Internal Funds.
2. Provided District staff training on payroll processing procedures including required payroll reports during the school year for schools and District personnel.
3. Performed investigative audit of all payroll records at several schools and departments, pertaining to overtime payments and undocumented hours worked in conjunction with audits of Internal Funds.
4. Provided written recommendations to management to strengthen payroll attendance and recordkeeping procedures for payroll operations.
5. Provided written recommendations to management to strengthen payroll activities relating to overtime and compensatory time options.

INVENTORIES

1. Performed a physical inventory, on a sample basis, in June 2014, which included inventory test counts at the various District Warehouses to ensure the accuracy of inventory, compliance with control procedures and the quantity, dollar amount and types (increase/decrease) of adjustments. Year-end observations will be performed on June 30, 2015 at various locations to complete the inventory audit procedures.

GRANTS - CONTRACT AUDITS

1. Performed financial and compliance audits of educational services funded by Broward County and various agencies, as required by the terms and conditions of the contracts.

BULLETIN AND POLICY REVISIONS

1. Provided technical assistance for revisions to School Board Policies, Standard Practice and Business Practice Bulletins amended during the fiscal year, including:
 - Standard Practice Bulletin I-306 – Month End Closing, Bank Reconciliation and Principal's Monthly Report
 - Standard Practice Bulletin I-406 – Field Trip Information, Required Paperwork Teacher Information Packet
 - School Board Policy 1341 – Use of Broward County School Facilities for Non-School Purposes
 - School Board Policy 3320 – Purchasing Policies
 - Standard Practice Bulletin I-311 - Donations
 - Standard Practice Bulletin I-305 - Cash Disbursements
 - Assisted with the development of a draft School Board Policy 1.8 School Board of Broward County, Florida, Audit Committee

PROCUREMENT

1. Reviewed controls over warehouse inventory operations as part of the Review of Purchasing Card (P-Card) Purchases and Expenditures within the Physical Plant Operations (PPO) Department.
2. Provided Benefits & Employment Services Department and various departments with technical assistance related to audit provisions and financial statement reviews of vendors who submitted bid proposals for various requests issued by the District.

LIAISON WITH OTHER AUDITORS/OFFICES

1. Assisted multiple external auditors and other outside agencies including:
 - McGladrey, LLP - Construction Audit Reviews
 - S. Davis & Associates – Workers' Compensation Review
 - Florida Department of Management Services, Office of Inspector General
 - State of Florida FTE auditors
 - State Attorney's Office – Various investigations
 - Joint Legislative Auditing Committee

Assisted McGladrey, LLP in the performance of the District's Annual Financial Audit. Also coordinated the documentation requests of the auditors and assisted in obtaining responses from District staff for the Management Letter.

INVESTIGATIVE MATTERS

1. Conducted Audits/Investigations and assisted the State Attorney's Office, and several other law enforcement agencies, as well as the Broward District Schools Police with fraud investigations related to financial issues within the District (Internal Funds, Independent School Related Organizations, Charter Schools, payroll, procurement, vendor payments, construction projects, etc.).

OTHER ACTIVITIES

1. Enhanced and maintained the website for the Office of the Chief Auditor.
2. Conducted Continuing Professional Education in-service training programs for administrators and school staff.
3. Coordinated and served as a liaison between the School Board Members and the School Board Audit Committee.
4. Recorded, transcribed and distributed minutes from Audit Committee meetings to the Audit Committee and District staff.
5. Copied and delivered all audit reports and other Audit Committee materials to Audit Committee members.
6. Researched ethics issues and coordinated changes to the Audit Committee bylaws and School Board Policies related to the composition of the Audit Committee.
7. Assisted with the development of a draft School Board Policy 1.8 School Board of Broward County, Florida, Audit Committee.
8. Coordinated Audit Committee meetings.
9. Participated in various committees established by the District, such as the School Board Audit Committee, Facilities Task Force, Qualification Selection Evaluation Committee, Charter School Financial Review Committee, ESE Community Task Force, the Charter School Monitoring and Oversight Committee, and multiple other committees.
10. Interacted with the community by attending the Conversation with the District events held at various locations.
11. Attended School Board Meetings, Workshops and responded to Board Follow-Up Requests and Referrals in writing.
12. Maintained a Yearbook Conference on the CAB E-Mail system to enhance communication between school yearbook sponsors.

13. Participated in the activities related to the AdvancED Accreditation Process.

CHARTER SCHOOLS

1. Assisted the Charter Schools Management/Support Office, which included reviews of Charter Schools' monthly, quarterly and annual financial statements, to determine if there were adequate standards of fiscal management, as required by the terms of the Charter Schools' agreements, Florida Statutes and Florida Administrative Code.
2. Collaborated with Charter Schools Management/Support Office and met with staff from various Charter Schools and performed a detailed review of all Charter Schools experiencing financial emergencies and reviewed financial recovery plans for those Charter Schools on a quarterly basis. Participated as a non-voting member of the Charter Schools Monitoring and Oversight Committee (CSMO).
3. Performed follow-up reviews of Charter Schools related to the closing of the schools.
4. Performed reviews of several closed Charter Schools relating to custody of Property and Inventory that was purchased with FTE dollars.
5. Performed multiple forensic reviews of the financial records for Charter Schools that closed during the 2014-15 fiscal year.
6. Provided technical assistance to the Charter Schools Management/Support Office related to Charter School agreements and various audit related correspondence.
7. Provided financial analysis and operational review and recommendations to the Charter Schools Management/Support Office related to the non-renewal of Charter School agreements.
8. Assisted District staff with establishing procedures for the recovery of District funds in cases where Charter Schools are assessed financial penalties, due to non-compliance with State regulations.
9. Collaborated with the State Attorney's Office with several Charter School investigations.
10. In collaboration with the Charter Schools Management/Support Office, we developed recommendations to submit to the State Legislature regarding stronger controls over Charter School governance.
11. Participated on the Bond Technology Committee with the development of procedures, i.e. internal controls, for the purchase of equipment using Bond Technology funds for eligible Charter Schools.

12. Performed site visits of Charter Schools with financial issues identified through review of financial statements and/or non-payment notifications from vendors doing business with Charter Schools.
13. Participated in interviews and prepared responses to inquiries requested by the National Association of Charter Schools' Authorizers (NACSA), as part of the District-Charter Collaborative Compact grant.
14. Assisted in the development of supporting documentation related to administrative hearings for termination of Charter Schools.
15. Participated with the Charter Schools Management/Support Office providing training and workshops to Charter Schools' management.
16. Participated in discussion panels at the Superintendent's Charter School Summit meetings.

PROPOSED AUDIT PLAN
FOR THE 2015 - 2016 FISCAL YEAR

The Office of the Chief Auditor
Proposed Audit Plan for the 2015-2016 Fiscal Year

FACILITY AUDITS

1. Perform a Review of Errors & Omissions Change Orders (in progress).
2. Assist the external auditing firm with the final close-out of Boyd Anderson High School construction project (in progress).
3. Perform Operational Audit of selected areas within Physical Plant Operations, i.e. work orders.
4. Collaborate with external auditors in the performance of reviews of Construction Projects.
5. Review consulting services agreements, open end contracts and other purchased services by the Office of Facilities and Construction and Physical Plant Operations.
6. Review various Change Orders related to construction projects.
7. Perform a Current Status of McGladrey LLP's Operational Review of the Office of Facilities and Construction.
8. Assist the external auditing firm with the quality assurance monitoring of the Program Management Services construction activities, as needed.
9. Monitor Bid Openings (ongoing).
10. In conjunction with the Office of Facilities and Construction, provide input to the Qualification Selection Evaluation Committee (QSEC) and monitor the activities of this committee to strengthen the procurement process over professional services and construction contracts (ongoing). We are a non-voting member of this committee.

INTERNAL FUNDS

1. Perform all audits for the 2014-2015 fiscal year for:
 - High Schools
 - Middle Schools
 - Elementary Schools
 - Centers
 - Technical Colleges and Community Schools

PROPERTY AND INVENTORY AUDITS

1. Perform Property Audits of Schools, Centers, Technical Colleges and Departments.
2. Provide training on Property and Inventory Procedures.
3. Perform follow-up reviews for those locations that had audit exceptions, in order to verify compliance with audit recommendations.
4. Provide assistance to Charter Schools in instances where Charter Schools have closed and their property and inventory reverts back to the District, per Florida State Statutes.
5. Assist schools and departments with maintaining a secondary site based tracking database for items valued at less than \$1,000 that are high risk items, such as computers, cameras, LCD projectors, musical instruments and custodial equipment.

OPERATIONAL AUDITS

1. Complete a Review of Installation and Replacement of Video Surveillance Systems (in progress)
2. Perform a Review of Federally Funded Programs, i.e. ESE, Title I.
3. Perform Operational Audits of selected activities for various District departments.
4. Perform Current Status Reviews of prior Operational Audits.
5. Perform a Review of Custodial Operations, including equipment, supplies and purchasing.
6. Perform annual year-end warehouse inventory test counts.
7. Review consulting services agreements and purchased services by various Divisions and Departments.
8. Procure the services of an external audit firm to perform a Current Status Review of the ethics related findings and recommendations reported in the January 2011 Grand Jury Report.

INVESTIGATIVE MATTERS

1. Conduct audits/investigations and assist the State Attorney's Office and the Broward District Schools Police with investigations related to financial issues in the District, as needed (Internal Funds, Independent School Related Organizations, Charter Schools, payroll, procurement, vendor payments, construction projects, etc.).

LIAISON WITH OTHER AUDITORS/OFFICES

1. Assist external auditors, Office of Inspector General, Auditor General, State of Florida, Joint Legislative Auditing Committee and other State and Federal auditors in the performance/execution of annual audit and other audit services.
2. Coordinate and assist with school and District level responses to State FTE audit findings, and coordinate the audit appeals process with the Florida Department of Education.

PAYROLL

1. Perform payroll audits including reviews of payroll procedures and payroll processing (regular and overtime hours) in conjunction with the audits of Internal Funds and selected payroll compliance audits of District departments.
2. Review the KRONOS timekeeping system used at various locations and perform payroll reviews.

INFORMATION TECHNOLOGY AUDITS

1. Perform an Operational Review of Selected IT Vendors' Consulting Services.
2. Assist external auditors, consultants and staff in the performance of selected activities of the Information & Technology Department (IT).

GRANTS - CONTRACT SERVICES

1. Perform audits of grants and contract services, as required by the terms and conditions of the contracts.

CHARTER SCHOOLS

1. Assist the Charter Schools Management/Support Office, which includes reviews of Charter Schools' monthly, quarterly and annual financial statements for over 100 Charter Schools to determine if there are adequate standards of fiscal management, as required by the terms of the Charter School agreements and Florida State Statutes.
2. Monitor Charter Schools' financial operations which have been identified with a financial emergency.
3. Perform site visits of Charter Schools and perform various compliance reviews, i.e. financial records, payroll, student attendance and property and inventory verification.
4. Assist in the closeout process, i.e. property and inventory of Charter Schools that are terminated.

5. Participate in the District's Charter School Monitoring and Oversight Committee.
6. Provide assistance to the Charter Schools Management/Support Office related to financial, auditing and compliance with Charter School agreements.
7. Participate with the Charter Schools Management/Support Office to provide training and workshops to Charter Schools' management.
8. Participate in discussion panels for the Superintendent's Charter School Summit meetings.
9. Participate on the Bond Technology Committee to provide oversight with the purchasing process for IT equipment using Bond Technology funds for eligible Charter Schools.
10. Assist the Charter Schools Management/Support Office with the process of reviewing applicants applying for Charter Schools.

OTHER ACTIVITIES

1. Continue membership on various School Board Committees where participation is required or requested, when not interfering with the auditing function.
2. Assist management of the School Board in the performance of their responsibilities. Provide analyses, recommendations, counsel and information concerning the activities reviewed.
3. Continue quality assurance and in-service training programs for administrators and school staff.
4. Coordinate and serve as liaison between the School Board Members and the School Board Audit Committee.
5. Coordinate and serve as liaison between the District and external auditors.

SPECIAL ASSIGNMENTS

1. Reserve a limited number of audit days for special assignments requested by the Superintendent, School Board Members and Audit Committee Members.

STAFFING ISSUES

1. This Audit Plan is based on the current internal staff of 25 employees, which includes two (2) open positions and two (2) new Auditor III positions to be filled in the 2015-2016 fiscal year. Our staff consists of Internal Auditors, Inventory Audit Specialists, Clerical Specialists, and Supervisory staff.

LONG RANGE AUDIT PLAN

LONG RANGE AUDIT PLAN

The following major reviews/audits are being considered for the next several fiscal years. They are over and above the regular auditing activities of the Office.

1. Perform an Operational Audit of selected activities within the Human Resource Division and other selected District departments/divisions.
2. Perform an Operational Audit of selected activities at BECON, Food & Nutrition Services and Transportation Departments.

**SCHEDULE OF COSTS
AND
AVAILABLE RESOURCES**

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

The Office of the Chief Auditor

Schedule of Costs and Available Resources

2015-2016

I. Cost per Day of Internal Audit Staff					
Salary Expense					
General Operating Fund (22 Employees)				\$1,750,820	
Capital Fund (3 Employees)				316,507	
Total Salaries including Benefits				\$2,067,327	
Cost per Day (\$2,067,327 divided by 25 divided by 244)				\$339	
				\$45 per hour (rounded)	
II. Total Available Contact (Field) Days					
Auditors (excluding Chief Auditor and Clerical)				17	
Inventory Audit Specialists				5	
Total Audit Staff				22	
Contact (Field) Days per Year for Audit Staff				x 220	
Total Available Contact Days				4,840	
III. Schedule of Available Days/Estimated Costs					
			Contact (Field)		Estimated
			Days		Costs
Audit Functions					
Internal Fund Audits			1,540		\$522,060
Property Audits			1,100		372,900
Construction/Maintenance Audits			880		298,320
Operational Audits			905		306,795
Inventories			20		6,780
Grant Audits			20		6,780
Information Technology Audits			20		6,780
Special Assignments/Audit Investigations			45		15,255
Other Activities/Charters/Audits			145		49,155
Totals			4675		\$1,584,825
Other Activities					
Continuing Professional Education			40		\$13,560
In-Service Training for District Personnel			50		16,950
Miscellaneous			40		13,560
Totals			130		\$44,070
Contingency					
Available Contingency			35		11,865
Totals			35		\$11,865
Total Days and Estimated Costs			4,840		\$1,640,760
96% of Contact (field) Days are expended on direct audit projects.					
3% of Contact (field) Days are expended on training and miscellaneous					
1% of Contact (field) Days are held for contingency.					