

INTERNAL AUDIT REPORT

**Audit of the Internal Funds
of Selected Schools**



To be presented to the:

**Audit Committee on
October 10, 2019**

**The School Board of Broward County, Florida on
November 6, 2019**

By

The Office of the Chief Auditor



The School Board of Broward County, Florida

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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
Joris Jabouin, Chief Auditor
www.browardschools.com

The School Board of Broward County, Florida

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Robert W. Runcie,
Superintendent of Schools

October 2, 2019

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 audited the Statement of Changes in Fund Balances for the Internal Funds at eleven (11) schools pursuant to the Florida State Board of Education, Administrative Rule 6A-1.001 and School Board Policy 1002.1. Each school's Principal is responsible for the preparation of the Statement of Changes in Fund Balances. Our responsibility is to express an opinion on these statements based on our audits.

We conducted our audits in accordance with generally accepted government auditing standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform these audits to obtain reasonable assurance that the financial statements are free of material misstatements.

The audits at these eleven (11) schools included an examination of the Internal Funds.

An audit includes evaluating and examining, on a test basis, the financial statements and supporting documents. In planning and performing our audits of the schools' financial statements, we considered the internal control structures. Our review of the internal control structures facilitates the development of the audit procedures and the expression of an opinion on the financial statements. We believe our audits provide a reasonable basis for our opinion.

Members of The School Board of Broward County, Florida
Members of The School Board Audit Committee
Robert W. Runcie, Superintendent of Schools
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The schools' records were maintained in conformity with the School Board's accounting procedures for Internal Funds. These accounting procedures require all financial transactions be recorded on a cash basis method, with no records maintained on accounts receivables, accounts payable, or accruals. Accordingly, the Statements of Changes in Fund Balances, as shown in this report, do not present the financial position or the results of operations of the schools in the manner required by generally accepted accounting principles.

Our audits indicated that ten (10) schools in this report complied with prescribed policies and procedures. The one (1) remaining school's report contained an audit exception.

In our opinion, the Statements of Changes in Fund Balances for the eleven (11) schools present fairly the changes in fund balances of the schools' Internal Funds, arising from cash transactions.

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

Sincerely,



Joris Jabouin, CPA
Chief Auditor
Office of the Chief Auditor

Audits Supervised and Reviewed by:

Joris Jabouin
Ann Conway
Hermine James

Audits Performed by:

Ceci Guerrero
Elena Pritykina

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INTERNAL AUDITOR'S REPORT

AUTHORIZATION

State Board of Education Rule 6A-1.001, Florida Administrative Code, requires District School Boards to provide for audits of the schools' Internal Funds. In accordance with School Board Policy 1002.1 and the Audit Plan for the 2019-2020 fiscal year, the Office of the Chief Auditor has audited the financial statements for the schools listed in the Table of Contents section of this report. The financial statements were prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles. These financial statements are the responsibility of the Principal. Our responsibility is to express an opinion on these financial statements based on our audits.

SCOPE, OBJECTIVES, AND METHODOLOGY

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. We selected and tested a representative sample of receipts and disbursements for all the audited schools. We also analyzed selected activities where the schools generated significant revenues. An audit also includes assessing the accounting principles and significant estimates made by the administration, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

We perform our audits with the objectives of:

- expressing an opinion on the financial statements of the schools.
- evaluating compliance by the schools with the policies and procedures prescribed by the Standard Practice Bulletins.
- evaluating the internal control structure at the schools to determine the extent to which selected control environment factors promote compliance with the policies and procedures prescribed by the Standard Practice Bulletins.

We conducted our audits in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. Those standards require we plan and perform these audits to obtain reasonable assurance that the financial statements are free of material misstatements.

Financial Statements

In our opinion, the financial statements contained in these audit reports present fairly, in all material respects, the changes in fund balances arising from cash transactions of the schools, on the cash basis of accounting.

Compliance

We also tested compliance with selected policies and procedures prescribed by the Standard Practice Bulletins.

Internal Control Structure

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

- internal control structure established by the administration.
- operational internal control policies and procedures relevant to cash receipts and disbursements.
- 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 reliability of financial records and the safeguarding of assets.

The scope of our audits also included an assessment of the controls in place at the schools to promote compliance with the Standard Practice Bulletins, which contain the procedures established to control the use of the Internal Funds. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that material errors or irregularities in the school's financial records, cash receipts, and disbursements, may occur and not be detected within a timely period by school employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and would not necessarily disclose all material weaknesses.

The results of our audits for the individual schools are included within each report.

SECTION I:

Audit Reports (with No Exceptions)

DRIFTWOOD MIDDLE SCHOOL
AUDIT REPORT
FOR 2018-19 FISCAL YEAR
JULY 1, 2018 THROUGH JUNE 30, 2019

PROFILE OF THE SCHOOL

Address: 2751 North 70th Terrace, Hollywood, Florida 33024

Principal: Steven Williams

Bookkeepers: Sherreen Russell (July 2019 – Current)
Charlene Lee – Business Support Center (January 2019 - June 2019)
Jeanine Tinajero (July 2018 – December 2018)

CASH AND INVESTMENT SUMMARY

	<u>6/30/19</u>
Cash Account:	
Checking Account – Wells Fargo Bank	\$ 34,175.54
Investment:	
Treasurer’s Pool Account	<u>32,000.00</u>
 TOTAL	 <u>\$ 66,175.54</u>

In accordance with State Board of Education Rule 6A-1.001, Florida Administrative Code, and School Board Policy 1002.1, we have audited the financial statement of Driftwood Middle School for the 2018-19 fiscal year. We conducted our audit in accordance with generally accepted government auditing standards, issued by the Comptroller General of the United States. The financial statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2018-19 fiscal year, on the cash basis of accounting. With respect to the items tested, the school generally complied with various Florida Statutes, Board Policies and particularly the Standard Practice Bulletins. Our assessment of the controls in place to promote compliance with the School Board’s policies and procedures indicated the internal control structure at the school generally functioned as designed by the District administration.

AUDIT EXCEPTIONS

None

DRIFTWOOD MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2018 - 2019

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 14,314.21	\$ 12,533.25	\$ 12,388.34	\$ 14,459.12
Music	1,912.17	17,122.80	17,276.98	1,757.99
Classes	-	5,716.00	4,884.64	831.36
Clubs	9,958.55	49,321.14	50,945.31	8,334.38
Departments	4,332.59	8,432.53	9,676.60	3,088.52
Trusts	6,786.49	209,626.62	207,938.81	8,474.30
General	<u>34,527.13</u>	<u>7,570.62</u>	<u>12,867.88</u>	<u>29,229.87</u>
TOTALS	<u><u>\$ 71,831.14</u></u>	<u><u>\$ 310,322.96</u></u>	<u><u>\$ 315,978.56</u></u>	<u><u>\$ 66,175.54</u></u>

FALCON COVE MIDDLE SCHOOL
AUDIT REPORT
FOR 2018-19 FISCAL YEAR
JULY 1, 2018 THROUGH JUNE 30, 2019

PROFILE OF THE SCHOOL

Address: 4251 Bonaventure Boulevard, Weston, Florida 33332

Principals: Steven Carruth (July 2019 – Current)
Dr. Mark Kaplan (July 2018- June 2019)

Bookkeeper: Galeine Montimere

CASH AND INVESTMENT SUMMARY

	<u>6/30/19</u>
Cash Account:	
Checking Account – Wells Fargo Bank	\$ 197,702.22
Investment:	
Treasurer’s Pool Account	<u>60,000.00</u>
TOTAL	<u>\$ 257,702.22</u>

In accordance with State Board of Education Rule 6A-1.001, Florida Administrative Code, and School Board Policy 1002.1, we have audited the financial statement of Falcon Cove Middle School for the 2018-19 fiscal year. We conducted our audit in accordance with generally accepted government auditing standards, issued by the Comptroller General of the United States. The financial statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2018-19 fiscal year, on the cash basis of accounting. With respect to the items tested, the school generally complied with various Florida Statutes, Board Policies and particularly the Standard Practice Bulletins. Our assessment of the controls in place to promote compliance with the School Board’s policies and procedures indicated the internal control structure at the school generally functioned as designed by the District administration.

AUDIT EXCEPTIONS

None

FALCON COVE MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2018 - 2019

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 9,607.21	\$ 52,404.96	\$ 51,431.06	\$ 10,581.11
Music	15,042.18	7,447.20	9,398.77	13,090.61
Classes	1,520.21	190,396.87	188,373.45	3,543.63
Clubs	81,268.93	535,776.22	510,863.90	106,181.25
Departments	12,330.13	19,583.66	16,596.13	15,317.66
Trusts	25,366.63	549,321.07	509,589.58	65,098.12
General	<u>29,071.77</u>	<u>26,446.47</u>	<u>11,628.40</u>	<u>43,889.84</u>
TOTALS	<u><u>\$ 174,207.06</u></u>	<u><u>\$ 1,381,376.45</u></u>	<u><u>\$ 1,297,881.29</u></u>	<u><u>\$ 257,702.22</u></u>

FOREST GLEN MIDDLE SCHOOL
AUDIT REPORT
FOR 2018-19 FISCAL YEAR
JULY 1, 2018 THROUGH JUNE 30, 2019

PROFILE OF THE SCHOOL

Address: 6501 Turtle Run Boulevard, Coral Springs, Florida 33067

Principal: Ronald Forsman

Bookkeeper: Beatriz Miranda

CASH AND INVESTMENT SUMMARY

	<u>6/30/19</u>
Cash Account:	
Checking Account – Wells Fargo Bank	\$ 52,696.16
Investment:	
Treasurer’s Pool Account	<u>10,000.00</u>
TOTAL	<u>\$ 62,696.16</u>

In accordance with State Board of Education Rule 6A-1.001, Florida Administrative Code, and School Board Policy 1002.1, we have audited the financial statement of Forest Glen Middle School for the 2018-19 fiscal year. We conducted our audit in accordance with generally accepted government auditing standards, issued by the Comptroller General of the United States. The financial statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2018-19 fiscal year, on the cash basis of accounting. With respect to the items tested, the school generally complied with various Florida Statutes, Board Policies and particularly the Standard Practice Bulletins. Our assessment of the controls in place to promote compliance with the School Board’s policies and procedures indicated the internal control structure at the school generally functioned as designed by the District administration.

AUDIT EXCEPTIONS

None

FOREST GLEN MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2018 - 2019

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 3,422.21	\$ 12,491.95	\$ 13,430.43	\$ 2,483.73
Music	407.01	1,901.80	2,308.81	-
Classes	643.33	84,367.70	83,785.40	1,225.63
Clubs	25,346.32	58,930.29	53,210.21	31,066.40
Departments	10,786.75	1,606.67	2,641.42	9,752.00
Trusts	23,034.38	90,983.95	98,629.36	15,388.97
General	<u>5,773.19</u>	<u>2,101.56</u>	<u>5,095.32</u>	<u>2,779.43</u>
TOTALS	<u><u>\$ 69,413.19</u></u>	<u><u>\$ 252,383.92</u></u>	<u><u>\$ 259,100.95</u></u>	<u><u>\$ 62,696.16</u></u>

GULFSTREAM ACADEMY OF HALLANDALE BEACH K-8
AUDIT REPORT
FOR 2018-19 FISCAL YEAR
JULY 1, 2018 THROUGH JUNE 30, 2019

PROFILE OF THE SCHOOL

Address: 1000 SW 3rd Street, Hallandale Beach, Florida 33009

Principal: Robert Pappas

Bookkeeper: Ana Taylor

CASH AND INVESTMENT SUMMARY

	<u>6/30/19</u>
Cash Account:	
Checking Account – Wells Fargo Bank	\$ <u>82,512.38</u>
 TOTAL	 \$ <u>82,512.38</u>

In accordance with State Board of Education Rule 6A-1.001, Florida Administrative Code, and School Board Policy 1002.1, we have audited the financial statement of Gulfstream Academy of Hallandale Beach K-8 for the 2018-19 fiscal year. We conducted our audit in accordance with generally accepted government auditing standards, issued by the Comptroller General of the United States. The financial statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2018-19 fiscal year, on the cash basis of accounting. With respect to the items tested, the school generally complied with various Florida Statutes, Board Policies and particularly the Standard Practice Bulletins. Our assessment of the controls in place to promote compliance with the School Board's policies and procedures indicated the internal control structure at the school generally functioned as designed by the District administration.

AUDIT EXCEPTIONS

None

GULFSTREAM ACADEMY OF HALLANDALE BEACH K-8

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2018 - 2019

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 2,526.53	\$ 1,059.60	\$ 1,921.60	\$ 1,664.53
Music	193.58	1,528.32	745.68	976.22
Classes	6,593.68	70,844.89	70,302.17	7,136.40
Clubs	7,655.24	28,978.62	28,398.05	8,235.81
Departments	7,026.58	10,212.87	10,540.77	6,698.68
Trusts	10,991.66	224,140.46	226,634.74	8,497.38
General	<u>46,628.75</u>	<u>10,599.22</u>	<u>7,924.61</u>	<u>49,303.36</u>
TOTALS	<u>\$ 81,616.02</u>	<u>\$ 347,363.98</u>	<u>\$ 346,467.62</u>	<u>\$ 82,512.38</u>

INDIAN RIDGE MIDDLE SCHOOL
AUDIT REPORT
FOR 2018-19 FISCAL YEAR
JULY 1, 2018 THROUGH JUNE 30, 2019

PROFILE OF THE SCHOOL

Address: 1355 Nob Hill Road, Davie Florida 33324

Principal: Ian Murray

Bookkeeper: Nicole Alazraki

CASH AND INVESTMENT SUMMARY

	<u>6/30/19</u>
Cash Account:	
Checking Account – Wells Fargo Bank	\$ 158,185.55
Investment:	
Treasurer’s Pool Account	<u>20,000.00</u>
 TOTAL	 <u>\$ 178,185.55</u>

In accordance with State Board of Education Rule 6A-1.001, Florida Administrative Code, and School Board Policy 1002.1, we have audited the financial statement of Indian Ridge Middle School for the 2018-19 fiscal year. We conducted our audit in accordance with generally accepted government auditing standards, issued by the Comptroller General of the United States. The financial statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2018-19 fiscal year, on the cash basis of accounting. With respect to the items tested, the school generally complied with various Florida Statutes, Board Policies and particularly the Standard Practice Bulletins. Our assessment of the controls in place to promote compliance with the School Board’s policies and procedures indicated the internal control structure at the school generally functioned as designed by the District administration.

AUDIT EXCEPTIONS

None

INDIAN RIDGE MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2018 - 2019

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 1,878.50	\$ 21,419.21	\$ 11,866.12	\$ 11,431.59
Music	1,776.18	10,135.00	5,606.57	6,304.61
Classes	3,578.53	242,396.18	242,899.70	3,075.01
Clubs	24,194.99	96,694.79	86,154.27	34,735.51
Departments	8,032.86	12,764.58	10,122.51	10,674.93
Trusts	32,801.75	404,702.07	347,564.95	89,938.87
General	<u>16,031.28</u>	<u>20,327.88</u>	<u>14,334.13</u>	<u>22,025.03</u>
TOTALS	<u><u>\$ 88,294.09</u></u>	<u><u>\$ 808,439.71</u></u>	<u><u>\$ 718,548.25</u></u>	<u><u>\$ 178,185.55</u></u>

LYONS CREEK MIDDLE SCHOOL
AUDIT REPORT
FOR 2018-19 FISCAL YEAR
JULY 1, 2018 THROUGH JUNE 30, 2019

PROFILE OF THE SCHOOL

Address: 4333 Sol Press Boulevard, Coconut Creek, Florida 33073

Principal: Vernicca Wynter

Bookkeeper: Maureen Konikoff

CASH AND INVESTMENT SUMMARY

	<u>6/30/19</u>
Cash Account:	
Checking Account – TD Bank	\$ 57,669.35
Investment:	
Treasurer’s Pool Account	<u>20,000.00</u>
 TOTAL	 <u>\$ 77,669.35</u>

In accordance with State Board of Education Rule 6A-1.001, Florida Administrative Code, and School Board Policy 1002.1, we have audited the financial statement of Lyons Creek Middle School for the 2018-19 fiscal year. We conducted our audit in accordance with generally accepted government auditing standards, issued by the Comptroller General of the United States. The financial statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2018-19 fiscal year, on the cash basis of accounting. With respect to the items tested, the school generally complied with various Florida Statutes, Board Policies and particularly the Standard Practice Bulletins. Our assessment of the controls in place to promote compliance with the School Board’s policies and procedures indicated the internal control structure at the school generally functioned as designed by the District administration.

AUDIT EXCEPTIONS

None

LYONS CREEK MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2018 - 2019

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 4,801.94	\$ 5,133.96	\$ 3,776.03	\$ 6,159.87
Music	2,780.25	3,783.20	6,453.14	110.31
Classes	3,039.24	37,523.93	38,981.45	1,581.72
Clubs	33,271.01	72,455.07	64,290.60	41,435.48
Departments	6,964.11	10,884.93	11,376.27	6,472.77
Trusts	15,794.55	446,384.31	446,794.36	15,384.50
General	<u>11,063.44</u>	<u>9,533.85</u>	<u>14,072.59</u>	<u>6,524.70</u>
TOTALS	<u><u>\$ 77,714.54</u></u>	<u><u>\$ 585,699.25</u></u>	<u><u>\$ 585,744.44</u></u>	<u><u>\$ 77,669.35</u></u>

NEW RIVER MIDDLE SCHOOL
AUDIT REPORT
FOR 2018-19 FISCAL YEAR
JULY 1, 2018 THROUGH JUNE 30, 2019

PROFILE OF THE SCHOOL

Address: 3100 Riverland Road, Fort Lauderdale, Florida 33312

Principal: Melinda Frame-Wessinger

Bookkeepers: Candice Escarment (July 2019 – Current)
Katherine Jeffrey (July 2018 – June 2019)

CASH AND INVESTMENT SUMMARY

	<u>6/30/19</u>
Cash Account:	
Checking Account – Wells Fargo Bank	\$ 51,769.68
Investment:	
Treasurer’s Pool Account	<u>10,000.00</u>
 TOTAL	 <u>\$ 61,769.68</u>

In accordance with State Board of Education Rule 6A-1.001, Florida Administrative Code, and School Board Policy 1002.1, we have audited the financial statement of New River Middle School for the 2018-19 fiscal year. We conducted our audit in accordance with generally accepted government auditing standards, issued by the Comptroller General of the United States. The financial statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2018-19 fiscal year, on the cash basis of accounting. With respect to the items tested, the school generally complied with various Florida Statutes, Board Policies and particularly the Standard Practice Bulletins. Our assessment of the controls in place to promote compliance with the School Board’s policies and procedures indicated the internal control structure at the school generally functioned as designed by the District administration.

AUDIT EXCEPTIONS

None

NEW RIVER MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2018 - 2019

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 1,260.99	\$ 9,331.53	\$ 7,644.11	\$ 2,948.41
Music	2,082.17	40,639.19	42,418.61	302.75
Classes	6,378.46	197,111.68	203,285.00	205.14
Clubs	23,766.08	30,188.36	31,625.38	22,329.06
Departments	3,484.54	12,274.65	10,445.65	5,313.54
Trusts	7,037.93	47,748.31	29,669.16	25,117.08
General	<u>5,763.34</u>	<u>5,077.08</u>	<u>5,286.72</u>	<u>5,553.70</u>
TOTALS	<u><u>\$ 49,773.51</u></u>	<u><u>\$ 342,370.80</u></u>	<u><u>\$ 330,374.63</u></u>	<u><u>\$ 61,769.68</u></u>

NOVA MIDDLE SCHOOL
AUDIT REPORT
FOR 2018-19 FISCAL YEAR
JULY 1, 2018 THROUGH JUNE 30, 2019

PROFILE OF THE SCHOOL

Address: 3602 College Avenue, Davie, Florida 33314

Principal: Rayner Garranchan

Bookkeeper: Tasha Daniels

CASH AND INVESTMENT SUMMARY

	<u>6/30/19</u>
Cash Account:	
Checking Account – Wells Fargo Bank	\$ 8,475.03
Investment:	
Certificate of Deposit – Bank of America	<u>10,000.00</u>
 TOTAL	 <u>\$ 18,475.03</u>

In accordance with State Board of Education Rule 6A-1.001, Florida Administrative Code, and School Board Policy 1002.1, we have audited the financial statement of Nova Middle School for the 2018-19 fiscal year. We conducted our audit in accordance with generally accepted government auditing standards, issued by the Comptroller General of the United States. The financial statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2018-19 fiscal year, on the cash basis of accounting. With respect to the items tested, the school generally complied with various Florida Statutes, Board Policies and particularly the Standard Practice Bulletins. Our assessment of the controls in place to promote compliance with the School Board's policies and procedures indicated the internal control structure at the school generally functioned as designed by the District administration.

AUDIT EXCEPTIONS

None

NOVA MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2018 - 2019

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 888.52	\$ 442.49	\$ 1,326.70	\$ 4.31
Music	587.44	3,280.00	2,690.20	1,177.24
Classes	-	26,531.00	25,445.00	1,086.00
Clubs	5,850.38	35,892.19	36,619.19	5,123.38
Departments	1,934.50	2,673.11	4,445.02	162.59
Trusts	9,466.63	170,767.03	173,110.75	7,122.91
General	1,437.42	10,350.25	7,989.07	3,798.60
TOTALS	<u>\$ 20,164.89</u>	<u>\$ 249,936.07</u>	<u>\$ 251,625.93</u>	<u>\$ 18,475.03</u>

OLSEN MIDDLE SCHOOL
AUDIT REPORT
FOR 2018-19 FISCAL YEAR
JULY 1, 2018 THROUGH JUNE 30, 2019

PROFILE OF THE SCHOOL

Address: 330 SE 11th Terrace, Dania Beach, Florida 33004

Principal: Valerie Harris

Bookkeeper: Clare Martinez

CASH AND INVESTMENT SUMMARY

	<u>6/30/19</u>
Cash Account:	
Checking Account – Wells Fargo Bank	<u>\$ 7,454.00</u>
 TOTAL	 <u>\$ 7,454.00</u>

In accordance with State Board of Education Rule 6A-1.001, Florida Administrative Code, and School Board Policy 1002.1, we have audited the financial statement of Olsen Middle School for the 2018-19 fiscal year. We conducted our audit in accordance with generally accepted government auditing standards, issued by the Comptroller General of the United States. The financial statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2018-19 fiscal year, on the cash basis of accounting. With respect to the items tested, the school generally complied with various Florida Statutes, Board Policies and particularly the Standard Practice Bulletins. Our assessment of the controls in place to promote compliance with the School Board's policies and procedures indicated the internal control structure at the school generally functioned as designed by the District administration.

AUDIT EXCEPTIONS

None

OLSEN MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2018 - 2019

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ -	\$ 750.00	\$ 450.40	\$ 299.60
Music	502.37	4,628.30	4,135.90	994.77
Classes	811.35	40,701.77	41,513.12	-
Clubs	1,842.22	19,264.10	18,151.24	2,955.08
Departments	1,470.26	2,259.80	1,706.82	2,023.24
Trusts	1,091.08	8,947.07	9,538.15	500.00
General	593.11	7,883.29	7,795.09	681.31
TOTALS	<u>\$ 6,310.39</u>	<u>\$ 84,434.33</u>	<u>\$ 83,290.72</u>	<u>\$ 7,454.00</u>

SAWGRASS SPRINGS MIDDLE SCHOOL
AUDIT REPORT
FOR 2018-19 FISCAL YEAR
JULY 1, 2018 THROUGH JUNE 30, 2019

PROFILE OF THE SCHOOL

Address: 12500 West Sample Road, Coral Springs, Florida 33065

Principal: James Cecil

Bookkeeper: Wichita Small

CASH AND INVESTMENT SUMMARY

	<u>6/30/19</u>
Cash Account:	
Checking Account – Wells Fargo Bank	\$ 83,847.04
Investment:	
Treasurer’s Pool Account	<u>8,460.00</u>
TOTAL	<u>\$ 92,307.04</u>

In accordance with State Board of Education Rule 6A-1.001, Florida Administrative Code, and School Board Policy 1002.1, we have audited the financial statement of Sawgrass Springs Middle School for the 2018-19 fiscal year. We conducted our audit in accordance with generally accepted government auditing standards, issued by the Comptroller General of the United States. The financial statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2018-19 fiscal year, on the cash basis of accounting. With respect to the items tested, the school generally complied with various Florida Statutes, Board Policies and particularly the Standard Practice Bulletins. Our assessment of the controls in place to promote compliance with the School Board’s policies and procedures indicated the internal control structure at the school generally functioned as designed by the District administration.

AUDIT EXCEPTIONS

None

SAWGRASS SPRINGS MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2018 - 2019

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 3,573.19	\$ 6,001.00	\$ 5,225.08	\$ 4,349.11
Music	7,344.19	89,540.80	91,122.57	5,762.42
Classes	4,429.96	129,246.58	126,046.77	7,629.77
Clubs	39,632.38	39,300.86	38,570.76	40,362.48
Departments	4,616.76	1,821.42	1,075.03	5,363.15
Trusts	14,950.95	37,479.07	35,952.61	16,477.41
General	<u>6,590.12</u>	<u>16,186.04</u>	<u>10,413.46</u>	<u>12,362.70</u>
TOTALS	<u><u>\$ 81,137.55</u></u>	<u><u>\$ 319,575.77</u></u>	<u><u>\$ 308,406.28</u></u>	<u><u>\$ 92,307.04</u></u>

SECTION II:
Audit Reports (with Exceptions)

MILLENNIUM 6-12 COLLEGIATE ACADEMY
 AUDIT REPORT
 FOR THE 2016-17 AND 2017-18 FISCAL YEARS
 JULY 1, 2016 THROUGH JUNE 30, 2018

PROFILE OF THE SCHOOL

Address: 5803 NW 94th Avenue, Tamarac, Florida 33321

Principals: Francine Baugh (July 2018 – Current)
 Dr. Cheryl Cendan (July 2016 – June 2018)

Bookkeepers: Lysa Robb – Business Support Center (August 2018 – Current)
 Carol Howe – Business Support Center (February 2017 – July 2018)
 Barbara Mitchell (July 2016 – January 2017)

Payroll Processors: Elizabeth Betancourt - Business Support Center (August 2018 - Current)
 Gloria Robinson - Payroll Liaison (August 2018 - Current)
 Alice Montanez (June 2016 - July 2018)

CASH AND INVESTMENT SUMMARY

	<u>6/30/17</u>	<u>6/30/18</u>
Cash Account:		
Checking Account – Wells Fargo Bank	\$ 44,284.89	\$ 103,302.86
TOTAL	<u>\$ 44,284.89</u>	<u>\$ 103,302.86</u>

In accordance with State Board of Education Rule 6A-1.001, Florida Administrative Code, and School Board Policy 1002.1, we have audited the financial statements of Millennium 6-12 Collegiate Academy for the 2016-17 and 2017-18 fiscal years. We conducted our audit in accordance with generally accepted government auditing standards, issued by the Comptroller General of the United States. The financial statements of the school present fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2016-17 and 2017-18 fiscal years, on the cash basis of accounting.

Payroll

The school generally adhered to payroll procedures.

AUDIT EXCEPTION

Control Environment

In April 2018, an employee (now a former employee) of Millennium 6-12 Collegiate Academy notified District administration of several improprieties allegedly occurring at the school.

Upon notification, the Office of School Performance and Accountability (OSPA) informed various District officials, commenced its own investigation, and then took immediate action to address the issues raised by the employee as well as other issues that they noted through their inquiry.

Through our interviews with administrators familiar with the school, we were able to conclude that a poor control environment which had evolved over several years at Millennium 6-12 Collegiate Academy rendered the prescribed internal controls over money handling and business activities within the school ineffectual, as control procedures were allegedly routinely circumvented. A booster club account reportedly collected a significant amount of money for improper activities.

Our review of the school's Internal Funds accounts did not disclose specific evidence of mishandling of money deposited into the school's Internal Funds. However, any failure to deposit money that may have been collected or handled by school personnel into the school's Internal Funds, as required by School Board Policy 3411, would constitute mishandling of collections. We do not have access to the booster club account and were unable to determine the existence, extent or source of any such unrecorded cash collections, using the evidence available to us.

The Office of the State Attorney is currently conducting an investigation into these allegations.

We recommend that OSPA conduct annual official instruction of all school administrators, faculty, and staff concerning money handling, fundraising, booster clubs/parent groups and the acceptable operation of business-like activities on school grounds or in connection with the school.

We also recommend the dissemination and distribution of OSPA reporting hotline and whistleblower protection information to all school personnel, and that school employees are explicitly encouraged by OSPA administrators to report nepotism, violations of ethics statutes, improprieties, illegal actions, and violations of School Board policies or District procedures.

We suggest that OSPA cover some of these issues at its October 7, 2019 Principals' Operational Meeting and note that the Office of the Chief Auditor would be willing to attend this meeting to emphasize the importance of a proper control environment.

MILLENNIUM 6-12 COLLEGIATE ACADEMY

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2016 - 2017

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 517.47	\$ 2,097.15	\$ 1,971.49	\$ 643.13
Music	33.01	1,850.00	1,331.93	551.08
Classes	7,587.77	80,489.10	84,368.26	3,708.61
Clubs	3,509.77	12,637.87	8,483.13	7,664.51
Departments	10,369.48	17,321.81	15,941.77	11,749.52
Trusts	11,583.89	113,277.30	106,476.30	18,384.89
General	<u>2,465.48</u>	<u>2,341.77</u>	<u>3,224.10</u>	<u>1,583.15</u>
TOTALS	<u><u>\$ 36,066.87</u></u>	<u><u>\$ 230,015.00</u></u>	<u><u>\$ 221,796.98</u></u>	<u><u>\$ 44,284.89</u></u>

MILLENNIUM 6-12 COLLEGIATE ACADEMY

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2017 - 2018

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 643.13	\$ 4,227.00	\$ 508.00	\$ 4,362.13
Music	551.08	2,948.00	1,908.37	1,590.71
Classes	3,708.61	28,067.94	19,098.05	12,678.50
Clubs	7,664.51	5,883.35	5,774.27	7,773.59
Departments	11,749.52	12,551.57	9,738.07	14,563.02
Trusts	18,384.89	135,581.24	134,275.89	19,690.24
General	1,583.15	48,558.93	7,497.41	42,644.67
TOTALS	\$ 44,284.89	\$ 237,818.03	\$ 178,800.06	\$ 103,302.86

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
OFFICE OF SCHOOL PERFORMANCE & ACCOUNTABILITY

Valerie S. Wanza, Ph.D.
Chief Officer

Phone: 754-321-3838

Facsimile: 754-321-3886

September 26, 2019

TO: Joris Jabouin
Chief Auditor

FROM: Valerie S. Wanza, Ph.D.
Chief School Performance & Accountability Officer

SUBJECT: **INTERNAL FUNDS AUDIT - MILLENNIUM 6-12 COLLEGIATE ACADEMY
FISCAL YEARS 2016-17 AND 2017-18**

This correspondence comes in response to the findings and exception cited in the aforementioned school audit. As noted in your summary, the Office of School Performance & Accountability took immediate action in responding to a series of concerns that were reported by a former employee of the school in April 2018. Through our investigative processes, in June 2018, two checks totaling \$43,430.40 from outside of the District accounts (Millennium Middle School Booster and the Millennium Middle School Technology) were delivered to my office. These checks were forwarded to the Business Support Center and deposited into the school's internal funds account.

Upon review of your recommendations, my office began implementing many of your prescribed strategies in the summer of 2018. We will continue to work with the divisions and departments that provide training to schools relating to money handling, fundraising, booster clubs, parent groups and acceptable business practices on school grounds or in connection with the school. Additionally, we will continue to advise parents and employees of the District's established protocols for reporting concerns, anonymous tips, and whistleblower protections.

Finally, I look forward to our joint presentation to all school leaders at the October 7, 2019 All Principals Operational Meeting. Our discussion will reiterate many of the findings and recommendations from this audit. Moreover, I will re-emphasize my expectation for all employees to report nepotism, violations of ethics statures, improprieties, illegal actions and violation of Broward County Public Schools policies and procedures.

Thank you for the opportunity to examine this matter in greater detail. The outcomes will continue to be utilized for process improvements. If my office may be of additional assistance to you, please contact me at 754-321-3827.

VSW/CFS:tbm

cc: Superintendent's Cabinet
Office of School Performance & Accountability Senior Staff

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SUNTRUST

Purchaser MILLENNIUM MIDDLE SCHOOL TECHNOI

Pay ONE THOUSAND THREE HUNDRED TWENTY NINE DOLLARS
and 38 CENTS

To the Order of BROWARD COUNTY PUBLIC SCHOOLS

Memo

Payable at SunTrust Bank

64.79/611

5300024050

June 04, 2018

\$1329.38

SunTrust Banks, Inc. by an Authorized Agent
SunTrust Bank

[Signature]
Authorized Signature

⑆ 5300024050⑆ ⑆06100790⑆ 7019019996⑆

Official Check

THIS DOCUMENT CONTAINS VOID TEXT ON A BLUE BACKGROUND THAT WILL APPEAR WHEN PHOTOCOPIED



SUNTRUST

Purchaser MILLENNIUM MIDDLE SCHOOL BOOSTER

Pay FORTY TWO THOUSAND ONE HUNDRED ONE DOLLARS and
02 CENTS

To the Order of BROWARD COUNTY PUBLIC SCHOOLS

Memo

Payable at SunTrust Bank

64.79/611

5300024055

June 04, 2018

\$42101.02

SunTrust Banks, Inc. by an Authorized Agent
SunTrust Bank

[Signature]
Authorized Signature

Official Check