



CUMMINGS-GRAYSON & CO., P.A.
MEMBER AICPA & FICPA

Certified Public Accountants
Since 1979

External Quality Control Review

of the
**Broward County
Public Schools**
Office of the Chief Auditor

Conducted in accordance with guidelines of the
Association of Local Government Auditors

for the period
July 1, 2016 through June 30, 2019



January 24, 2020

Joris Jabouin
Chief Auditor
Office of the Chief Auditor,
Broward County Public Schools
600 S. E. 3rd Avenue
Fort Lauderdale, Florida 33301

Dear Mr. Jabouin,

We have completed a peer review of the Office of the Chief Auditor, Broward County Public Schools, for the period July 1, 2016 to June 30, 2019. In conducting our review, we followed the standards and guidelines contained in the *Peer Review Guide* published in 2017, by the Association of Local Government Auditors (ALGA).

We reviewed the internal quality control system of your audit organization and conducted tests in order to determine whether your internal quality control system operated to provide reasonable assurance of compliance with *Government Auditing Standards* issued by the Comptroller General of the United States. Our procedures included:

- Reviewing the audit organization's written policies and procedures.
- Reviewing internal monitoring procedures.
- Reviewing a sample of audit and attestation engagements and workpapers.
- Reviewing documents related to independence, training, and development of auditing staff.
- Interviewing auditing staff and management to assess their understanding of, and compliance with, relevant quality control policies and procedures.
- Reviewing the authority, mission, and bylaws of the Audit Committee

Due to the variance in individual performance and judgment, compliance does not imply adherence to standards in every case, but does imply adherence in most situations.

Based on the results of our review, it is our opinion that the Office of the Chief Auditor, Broward County Public Schools' internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with *Government Auditing Standards* for audits and attestation engagements during the period July 1, 2016 to June 30, 2019.

We have prepared a separate letter noting areas in which your office excels, and offering suggestions to further strengthen your internal quality control system.

Sincerely,

Cummings Grayson & Company P.A.
Marcia G. Grayson-Carty, CPA
Managing Principal



January 24, 2020

Joris Jabouin, CPA
Chief Auditor
Office of the Chief Auditor
Broward County Public Schools
600 S. E. 3rd Avenue
Fort Lauderdale, Florida 33301

Dear Mr. Jabouin,

We have completed a peer review of the Office of the Chief Auditor, Broward County Public Schools for the period July 1, 2016 through June 30, 2019 and issued our report thereon dated January 24, 2020. We are issuing this *companion letter* to offer observations and suggestions stemming from our peer review, and our follow-up on prior review reports (*internal use only*).

First, we would like to mention some of the areas in which we believe your office excels:

- The Chief Auditor's Office has attracted highly qualified staff with expertise and credentials in a variety of areas;
- The Chief Auditor's office has developed and implemented an effective and efficient system for following up on the status of outstanding audit recommendations;
- The work paper files were exceptionally well organized, and supported all conclusions derived;
- The OCA staff pays very close attention to the quality of work performed, referencing and cross-referencing documentation very carefully.
- Training and Professional Development Opportunities and adherence to CPE requirements are strongly encouraged, promoting the expertise, dedication and enthusiasm of professional staff.

We offer the following observations and suggestions to enhance your organizations demonstrated commitment and adherence to Government Auditing Standards:

Prior Peer Review Period 07/01/2010 to 06/30/2014

Condition: No Membership to a Professional Organization

Although individual members of the Office of the Chief Auditor are certified public accountants (CPAs) and are also members of the AICPA and FICPA, the Office of the Chief Auditor as a unit/division/department is not a member of any organization that provides guidance on emerging or leading practices to internal audit functions such as the Institute of Internal Auditors.

Follow-up Comment/Resolution as of January 24, 2020:

The Chief Auditor and some of his staff members joined the Institute of Internal Auditors (IIA) as individual members at their own personal costs for the years 2016-2017, 2017- 2018, and 2018 and 2019 fiscal years. Although the Chief Auditor is in favor of group membership for the Office of the Chief Auditor, School Board Policy 4208 (attached) prohibits the payment of such dues for individuals. Office of the Chief Auditor team members who are IIA members pay for those memberships on their own and are not reimbursed. The Chief Auditor plans to develop professional relationships with other audit units/divisions/departments in Broward, Dade, and Palm Beach counties to ensure that the Office of the Chief Auditor is aligned with leading audit practices.

This is deemed as compliant with the recommendation.

Current Peer Review Period 07/01/2016 to 06/30/2019

- **Condition:** In the OCA, the work paper files were exceptionally well organized, and supported all conclusions derived. However, it was noted some instances where some documents and/or workpapers were incomplete due to missing signature for instance for Beachside Montessori (August 2018) where the Property Audit Division/ Independence Statement was not signed, Eagle Point FY 2018: The New Found Items Report was not signed by the principal, Charles W. Flanagan High Audit File Worksheet, Independence statement was not signed by the auditor. It is important to always have the auditor and/or the auditee signed the audit documents whenever required. A signature in a document indicates knowledge, approval, acceptance and/or obligation. Thus, the absence of signature when required could indicate the opposite.

Recommendation: Pay attention to signature requirements, and also maintain a copy of the signed document in the files, since it is possible in the above referenced instances the original documents were signed.

- Condition: The Office of the Chief Auditor submitted at the end of every fiscal year a proposed audit plan. The plan indicates the type of audits the office intends to perform. The plan does not list the number of entities or the names of the entities the office expect to audit. Without this performance indicator, it is difficult to compare the actual engagements completed to the annual audit plan's projection.

Recommendation: State the quantity of entities that the Department plan to audit. Compare audit engagements completed to the audit plan annually to ensure that actual audits performed compare substantially to the number of audits planned. In FY 2020, it was noted that a similar plan had been adopted.

Condition: The interviews with the staff had several comments regarding communication, meetings, and advancement within the department. Per the comments noted, communication is perceived as being limited to managers, and not to the staff in general, with departmental meetings not being conducted routinely, thus further reducing exchange of experience and mentoring. From conversation with the Chief Auditor, a variety of different types of meetings are held, such as management meetings, team-wide meetings, one-on-one meetings, and project meetings.

It was noted that staff also thought that advancement occurs only if an associate retires, quit, or is no longer with the department.

Recommendation: Manager may consider developing a formalized method of communication which shares the goals and direction of the Chief Auditor. The managers may conduct a meeting immediately after their meeting with the Chief Auditor (while the guidance and information is fresh) highlight the main issues, concerns, and matters, gaining feedback from the staff and allowing them to contribute their thoughts and ideas, emphasizing that they are team members and an integral part of the improvements and changes in the department. Meetings should be scheduled, considering the needs of the department and the available time of the Chief Auditor, allowing the team to get together. Communicate the path of advancement within the department, what skills are required, education, and experience to the staff, so they can better plan their capacity for individual growth.

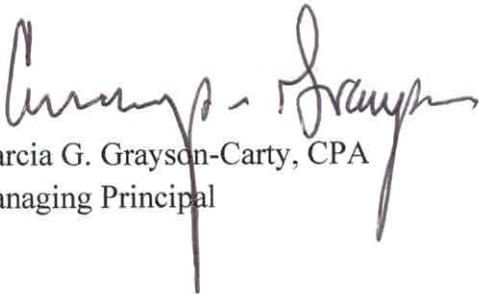
- Condition: The Office of the Chief Auditor is in a period of transition since the previous Quality Assessment, and with the retirement of the former Chief Auditor and the

appointment of a new Chief Auditor in 2018. The Chief Auditor position has since been elevated to a Cabinet-level position that is required to attend numerous meetings, including regular board meetings and workshops as well as events. At the same time needed to provide guidance, training, and coaching to team members is limited and is often significantly delayed. The Chief Auditor's time is limited in providing the quality control review needed in accordance the audit standards.

Unlike the audit units/divisions/departments in the school districts of Miami-Dade County and Palm Beach County and other school districts, the Office of the Chief Auditor does not have an Assistant Chief Auditor, who can provide coverage in the absence of the Chief Auditor. (Note: The Palm Beach County School District's compliance reporting is performed by their Office of Inspector General).

Recommendation: The Office of the Chief Auditor should consider adding a new position to handle more of the staff issues and concerns, meetings, report guidance and reviews, and daily operations, which would be entitled "Assistant Chief Auditor", similar to the Office of Management and Compliance Audits of Miami Dade County Public Schools and Palm Beach County Public Schools.

Thank you for your hospitality and we look forward to your implementation of our recommendations.



Marcia G. Grayson-Carty, CPA
Managing Principal

ATTACHMENT

SCHOOL BOARD POLICY 4208

PROFESSIONAL ASSOCIATION MEMBERSHIP AND ATTENDANCE AT MEETINGS

THE PAYMENT OF MEMBERSHIP DUES FOR INDIVIDUALS, BOARD MEMBERS AND ADMINISTRATORS SHALL BE PAID BY THE SCHOOL SYSTEM ONLY WHEN AUTHORIZED BY THE SUPERINTENDENT AND APPROVED BY THE BOARD. SUCH AUTHORIZATION SHALL INCLUDE PROVISION FOR PAYMENT.

THE PAYMENT OF MEMBERSHIP DUES FOR SCHOOL ORGANIZATIONS MAY BE PAID BY THE SCHOOL WHEN AUTHORIZED BY THE PRINCIPAL. AN INDIVIDUAL SHALL PAY HIS/HER OWN DUES.

ALL EMPLOYEES SHALL HAVE THE RIGHT TO JOIN PROFESSIONAL ASSOCIATIONS OF THEIR CHOICE BUT MAY NOT UNDER ANY CIRCUMSTANCES BE COERCED INTO SUCH MEMBERSHIP.

AUTHORITY: F.S. 230.22 (1) (2)
POLICY ADOPTED: 2/4/71

POLICY AMENDED: 9/5/74

RULES

Teacher attendance at official county professional meetings held on school time shall be mandatory.

Meetings of all professional associations which are held for the purpose of enacting professional business and which require members to leave their campus during school hours may not be held unless prior approval has been obtained from the Superintendent or his/her designated representative.

At state subject area meetings, each school shall be represented when possible by at least one faculty member. Expenses for such meetings shall be paid in accordance with Board Policy and Rules 4007.

Officers, program participants, and committee members of state, national or international associations shall be permitted to attend conventions and perform such other official duties as may be required so long as any such planned absences and/or duties do not cause unreasonable neglect of regular school obligations. Expenses shall be paid in accordance with Board Policy and Rules 4007.

Attendance of other instructional personnel at conferences, workshops and national conventions shall be encouraged on the basis of contributing to improved educational practices. Request shall be considered and granted in line with budgetary limits and maintaining school or department efficiency.

Membership in specified recognized professional associations and attendance at their meetings shall be encouraged on an individual, school and/or system basis. This shall apply also to Board Members and county-level administrators.

Principals desiring to attend out-of-county meetings must have the prior approval of the Area Superintendents.

AUTHORITY: F.S. 230.22 (1) (2)
RULES ADOPTED: 2/4/71

RULES AMENDED: 9/5/74

**OCA
MANAGEMENT'S
RESPONSE**



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

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Superintendent of Schools

January 24, 2020

Cummings Grayson & Co. P.A.
Marcia G. Grayson-Carty, CPA
915 NW 1st Avenue
Suite 3 A
Miami, FL 33136

Dear Ms. Grayson-Carty,

Thank you for performing the Office of the Chief Auditor's External Quality Control Review. We appreciate your time and the expertise that you brought to this endeavor.

We are pleased that your review found the Office of the Chief Auditor to be in full compliance with Government Auditing Standards. Your input throughout the review has proven to be a valuable and quality-enhancing asset for our team. Your recognition of our staff as highly qualified and your observation of the organization of our files is noted.

We appreciate your comments on ways to further strengthen our internal quality control system. As mentioned in your companion letter, our department takes extensive steps to ensure adherence to our quality control system, enhance ethics and independence, and training our auditors with an emphasis on Continuing Professional Education. We concur and we will move forward with the recommendations in your companion letter on additional team communications, completing the signature requirements of our work papers, and the pursuit of an assistant chief auditor.

Our entire staff found the peer review to be an educational and constructive process. We greatly appreciate the professionalism that you displayed and the insights that you shared with us from your experiences.

Thank you and your team for your professionalism and your fine work.

Joris M. Jabouin, CPA