

INTERNAL AUDIT REPORT

**Internal Audit Report – Audit of the Internal Funds of
Selected Schools in the North, Central and South Areas**



To be presented to the:

**Audit Committee on
December 13, 2010**

**School Board of Broward County, Florida on
January 25, 2011**

By

The Office of the Chief Auditor



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Superintendent of Schools

December 1, 2010

Members of The School Board of Broward County, Florida
Members of The School Board Audit Committee
James F. Notter, Superintendent of Schools

Ladies and Gentlemen:

We have audited the Statement of Changes in Fund Balances for the Internal Funds at fourteen (14) North Area schools, fifteen (15) Central Area schools and thirteen (13) South Area schools for the fiscal years ended June 30, 2009 and 2010, pursuant to the Florida State Board of Education, Administrative Rule 6A-1.087(2) 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 forty-two (42) schools included an examination of the Internal Funds, payroll, and After School Care, as applicable.

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 for the fiscal years ended June 30, 2009 and 2010 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
James F. Notter
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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 thirty-one (31) schools in this report complied with prescribed policies and procedures. The remaining eleven (11) schools' reports contained some audit exceptions.

In our opinion, the Statements of Changes in Fund Balances for the forty-two (42) schools present fairly the cash receipts and disbursements 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,



Patrick Reilly, CPA
Chief Auditor
Office of the Chief Auditor

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INTERNAL AUDITOR'S REPORT

AUTHORIZATION

State Board of Education Rule 6A-1.087(2), 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 2010-2011 fiscal years, the Office of the Chief Auditor has audited the financial statements for the years ended June 30, 2009 and 2010 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 environmental 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, during the 2008-09 and 2009-10 fiscal years, 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.

OTHER FUNCTIONS EXAMINED

In addition to the audit of the Internal Funds, we also conducted certain auditing procedures to improve accountability at the school level and provide assurances to the administration about the operation of the payroll procedures.

PAYROLL

A review of selected payroll procedures related to the preparation of the payroll and the distribution of the payroll checks was made at the schools to determine adherence to Standard Practice Bulletins and School Board Policies Time and Attendance Recordkeeping. Specifically, we determined that the payroll rosters were generally supported by payroll records and the payroll functions were adequately segregated.

The results of our audits for the individual schools are included within each report and are summarized in the following subsection.

Selected Schools
Areas of Audit Findings
2009 and 2010

<u>Coconut Creek High School</u>	1 Finding
Vending Commissions	
<u>Coral Springs High School</u>	4 Findings
1. Late Remittances	
2. Student Govt. - Principal's Discretionary Account	
3. Internal Advance Account – Neg. Balance	
4. Missing Pre-Numbered Receipting Doc.	
<u>Lyons Creek Middle School</u>	1 Finding
Late Remittances	
<u>Northeast High School</u>	4 Findings
1. Late Deposits	
2. Payroll Procedures	
3. Missing Receipting Documents	
4. Pre-Numbered Tickets	
<u>William Dandy Middle School</u>	1 Finding
Payroll	
<u>Fort Lauderdale High School</u>	1 Finding
Vending Commissions	
<u>Indian Ridge Middle School</u>	3 Findings
1. Vending Agreement	
2. Disbursements	
3. Payroll	

Selected Schools
Areas of Audit Findings
2009 and 2010 (cont'd)

<u>Pine Ridge Alternative Center</u>	1 Finding
Late Remittances	
<u>Piper High School</u>	3 Findings
1. Late Deposits	
2. Cheerleading	
3. Merchandising Activities	
<u>Wilton Manors Elementary School</u>	1 Finding
Late Remittances	
<u>Everglades High School</u>	2 Findings
1. Missing Funds	
2. Vending Commissions	
TOTAL FINDINGS	22 Findings

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2006-07 & 2007-08
Coconut Creek High School	<p>Vending Commissions</p> <p>During our review of vending machines, we noted the vendor issued a check totaling \$15,000 as part of a contract signing bonus to the school. Of that amount, \$6,323 was deposited in the Faculty account.</p> <p>Our analysis of the Faculty account indicated total expenditures of \$9,168 for the 2008-2009 school year. The \$9,168 includes a beginning balance of \$1,627.61 and other deposits to the account. Account expenditures of \$7,040 or (80%) were for employee incentives, gifts, food, and other staff accommodations.</p>	<p>Yearbook Deficits</p> <p>We noted the following during the analysis of the yearbook publications:</p> <ol style="list-style-type: none"> a. The 2007 and 2008 yearbook activities resulted in deficits of (\$8,810) and (\$7,543), respectively. A total of \$8,810 (28% of total cost) in F/Y 2007 and \$7,543.15 (27.3% of the total cost) in F/Y 2008 was covered by a transfer from the general account to the yearbook account in order to cover the final payments of the publications. b. The school purchased 375 and 350 books respectively in FY 2007 and 2008. The school did not revise the 2008 order to reflect the poor sales in FY 2007. A total of 124 books remained in ending inventory for 2007 and 131 remained in ending inventory for 2008. c. The RFP and a renewal letter were not retained for the 2006/2007 publication. d. Only \$32.01 remained in the yearbook account at year-end 2007 and again in 2008. e. A difference of \$95 and \$120 was noted during our comparison of actual receipts and the financial reports for both fiscal years.

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2006-07 & 2007-08
Coconut Creek High School		f. The 2006/2007 distribution report showed 3 students received books, but no proof of payment was provided. g. The financial report for the 2007/2008 publication was not completed in its entirety. The actual sales, potential sales and fundraiser summary were not included on the form, nor was the form signed by the Sponsor and approved by the Principal.

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2006-07 & 2007-08
Coral Springs High School	<p>Late Remittances</p> <p>During our analysis of cash receipting procedures, we noted several late remittances. Funds totaling \$5,208 were officially received three (3) to one hundred and forty five (145) days late.</p> <p>Student Government – Principal’s Discretionary Accounts</p> <p>Our analysis of the Student Government account disclosed the following conditions:</p> <ol style="list-style-type: none"> 1. A total of \$27,500 of vending commissions was posted to this account. 2. Disbursements totaling \$10,253.26 were made for the staff’s benefit, representing 37.28% of vending commissions received. 3. Two of the above disbursements, totaling \$2,663.75, were supported by minutes. <p>There is no Florida State Statute, School Board Policy, or Standard Practice Bulletin which allows budgeted funds or internal funds to be expended on meals or refreshments which are not attributable to travel or promotion and hospitality.</p>	<p>Vending Agreement</p> <p>The school received a total of \$100,000 through a vending agreement and \$30,000 was posted to the Faculty Account.</p> <p>Booster Club Concessions</p> <p>We noted the school did not have written agreements with any booster clubs concerning the operation of various booster club concession stands on school grounds, within the confines of the school building and in the athletic stadium.</p>

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2006-07 & 2007-08
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Coral Springs High School

**Internal Advance Account –
Negative Balance**

The internal advance account closed with a negative balance of (\$642.52) at year-end. A transfer from the General fund was made to clear a portion of the advances issued. It was not determinable whether all advances were returned. Each advance issued was not returned and cleared in its entirety. Apparently the bookkeeper issued more than one advance to the same individual even though prior issuances were not returned in full. A proper analysis of this account was not possible. The Bookkeeper was unable to provide acceptable explanations for the entries posted.

**Missing Pre-Numbered
Receipting Documents**

Based on a physical inventory of receipting documents, we noted two (2) receipt books were not provided for audit.

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2006-07 & 2007-08
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Lyons Creek Middle School

Late Remittances

No Audit Exceptions

During our review of cash collections, we noted staff held nineteen (19) remittances totaling \$7,645.02 ranging from two (2) to fourteen (14) days before remitting them to the bookkeeper.

Disbursements

During our review of disbursements, we noted:

- a. Proper internal advance procedures were not followed. One (1) disbursement/ internal advance in the amount of \$500 was made payable to the Assistant Principal on June 5, 2009 for the eighth grade recognition awards. The check was issued the day following the last day of school. Supporting invoices/ paid receipts showed purchases were made during the summer of 2009 and the beginning of the 2009/2010 school year; receipt dates were July 6, 2009, July 7, 2009 and September 12, 2009. The advance was issued at the close of FY 2009 for items purchased in FY 2010 and the incorrect internal funds account was used for the advance. According to the bookkeeper, the advance was issued to the Assistant Principal in an effort to clear the senior class account prior to year-end closing. Organization Minutes dated

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2006-07 & 2007-08
Lyons Creek Middle School	<p>June 4, 2009 indicated remaining funds should be used toward the Straight-A Café in the following year to purchase \$5 gift cards until depleted.</p> <p>b. The school's sales tax exemption was used for club-related purchases made by staff.</p> <p>c. Three (3) Expense Reimbursement/ Payment Request forms did not include the signature of the sponsor/ teacher.</p> <p>d. Two (2) disbursements were not supported with itemized invoices/ paid receipts from vendors that included the vendor's name, address and telephone number.</p> <p>e. One (1) reimbursement request was not supported with proof of initial payment.</p> <p>f. One (1) disbursement did not include the Expense Reimbursement/ Payment Request form.</p>	

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
Northeast High School	<p>Late Remittances</p> <p>Our review of initial cash collections disclosed thirty seven (37) late remittances totaling \$7,266.80 which were remitted to the bookkeeper three (3) to thirty-nine (39) days late.</p> <p>Payroll Procedures</p> <p>The following conditions were noted based on our review of two (2) AA and two (2) BB payroll periods:</p> <p><u>AA Payroll Period Ending 1/17/2010</u></p> <ol style="list-style-type: none"> 1. Temporary Duty Authorization forms were not completed and filed for 24 hours shown on the ZTIM report. 2. 52.5 hours of leave taken by staff were not approved by the Principal. 3. 361.5 hours of absences were not documented on Leave Request forms, as required. 4. 7.5 hours of sick leave were not deducted from an employee's leave balance. A completed leave request is on file. <p><u>BB Payroll Period Ending 2/7/2010</u></p> <p>Daily sign-in/sign-out sheets were not provided for custodial employees for audit.</p>	<p>Principal's Discretionary Account</p> <p>Our analysis of the Student Government Account disclosed that vendor's commissions totaling \$25,000 were placed in this account. Of this amount, \$14,963 was used on purchases directed by the Principal that did not benefit the students.</p> <p><u>OTHER AUDIT AREAS</u></p> <p>Purchasing Card</p> <p>During our review of a sample of Purchasing Card Disbursements (budgeted funds), we noted the Budgetkeeper:</p> <ul style="list-style-type: none"> • processed payments totaling \$30,191 for SY 2008/2009, and \$7,568 was spent on non-instructional related items. • did not complete the Credit Card Purchase Authorization Form and did not retain them in the P-Card files. • processed one payment of \$1,111 with support of an invoice of \$720. • processed one payment of \$1,939 from a statement and not an original invoice. • did not maintain the P-Card Log. <p>The Principal did not review and sign off on the monthly reports.</p>

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
Northeast High School	<p><u>AA Payroll Period Ending 5/23/10</u></p> <ol style="list-style-type: none"> 1. 44.5 hours of leave taken by six (6) teachers were not documented on Leave Request forms. Another teacher who was on PLV did not have a completed form on file. <p>Missing Receipting Documents</p> <p>Four (4) monies collection envelopes were not provided for audit. Staff had not completed Certificates of Loss.</p> <p>Pre-Numbered Tickets</p> <p>The following conditions were noted based on an analysis performed of pre-numbered ticket sales and the school's inventory thereof:</p> <ol style="list-style-type: none"> 1. A ticket report was not completed for sales of tickets totaling \$1,221. 2. A shortage of \$150.25 was noted on sales totaling \$1,925. 3. One roll containing 2,000 red \$2 tickets with potential revenue of \$4,000 was not accounted for on ticket reports. These tickets were signed out by the Athletic Director. 	<p>On April 17, 2009, the Bookkeeper remitted \$7,568 from an outside donor to the budget to cover the non-instructional expenses.</p> <p>Payroll</p> <p>During our review of payroll records for three payroll periods, we noted:</p> <ol style="list-style-type: none"> a. ZEARNINGS reports were not signed and dated by the Principal. One ZTIM report was approved one month late. b. The Daily absence sheet from Sub-Central was not printed and retained in the payroll folder to support the teacher absences. c. After the ZTIM reports were printed and approved, the payroll processor added additional absences amounting to \$5,204. She did not print a new ZTIM and obtain approval for the changes. d. Eight (8) employees were not charged for leave on days when they were absent. The cost of these absences to the School amounted to \$1,831. Corrections were made during the audit. e. Six (6) employees were charged for sick/personal leave with no supporting documentation. According to the Office Manager / Payroll Processor, two (2) called in late, two (2) were marked in the attendance notebook as out

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
Northeast High School	<p>4. A variance of 40% was noted between the fiscal year 2009 physical inventory and actual tickets sold for the corresponding year. The 2,000 missing tickets in Item 3 were considered in the computation of the variance.</p> <p>5. A total of 525 tickets signed out by the Athletic Director were not documented on ticket reports. These tickets were part of the sequences signed out for various events.</p> <p>The analysis was extended to include fiscal year 2010 and based on the results thereof, the following was noted:</p> <p>1. A variance of 21.38% was noted between the fiscal year 2010 physical inventory and actual tickets sold.</p> <p>2. A total of 1,885 Blue Generic tickets signed out were not listed on ticket reports. When the Bookkeeper was informed, she proceeded to complete reports during the audit.</p> <p>3. A total of 178 Pink tickets not listed on the school's inventory were sold as indicated on ticket reports reviewed.</p>	<p>and two (2) were not out. A Deleted Absence Report was not completed for the two (2) employees who were present.</p> <p>f. For one pay period, only two (2) out of forty-five (45) absent employees signed and returned the Vacation/Leave Request forms for the Principal's signature.</p> <p>g. The ZTIM and supporting documentation for the Substitutes' payroll were not available.</p> <p>h. A Master Time Schedule for all the hourly employees was not provided after three verbal requests. The Office Manager /Payroll Processor stated that she was working on it.</p> <p>i. Sign-in/sign out sheets were not available for the hourly paid clerical employees.</p> <p>j. One (1) employee reported he was absent the previous day. He did not call in to report his absence and was not recorded as absent until the following day after returning to work.</p>

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
William Dandy Middle School	<p>Payroll</p> <p>During our review of payroll records from February 15, 2010 through April 4, 2010, we noted:</p> <ul style="list-style-type: none"> a. ZTIM and ZEARNINGS Reports for both "AA" and "BB" payrolls were neither printed nor approved. Reports were printed and approved during the internal audit on May 27, 2010. b. Several Vacation/Leave Request forms were completed and approved after the period end date and check date. c. Payroll files were not adequately maintained. d. Vacation/Leave Request forms were either not completed or were unavailable for seventeen (17) employees. e. Three (3) employees were not charged a total of 25 hours of leave. f. Supporting documentation was unavailable for five (5) employees who worked additional hours in their secondary positions. 	<p>Fundraising Activities</p> <p>According to our analysis of the school's collections for a \$170 student package which included a week of senior class end-of-year activities (a luncheon, cook out, skating, field trip, dance, promotion exercise, t-shirt, visor, backpack and yearbook sales) we noted:</p> <ul style="list-style-type: none"> a. Actual collections of \$25,765 were \$8,235 less than potential collections of \$34,000, based on 200 students at \$170 each. b. The collections were not summarized on a fundraising financial report to account for items purchased, discounts such as non participation in some of the activities, or student credits for other fundraising. c. The last BC-40P Receipt Book for collections was missing. d. The employee, who was responsible for the collections and the missing receipt book, was on leave from the school beginning in August 2008. e. The employee's computer with fundraising information had been stolen from the school during a recently reported theft.

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
William Dandy Middle School	<ul style="list-style-type: none"> g. TDA forms were either not completed or were unavailable for two (2) employees. h. The payroll earnings code documented on Vacation/Leave Request Forms did not agree with the ZTIM Report for eight (8) employees. i. A comprehensive custodial timesheet was not maintained. 	<p>Since October 8, 2008, we have requested the school to further investigate the \$8,235 unaccounted for collections. As of October 31, 2008, we had not received any additional information. On February 4, 2009, the Principal provided additional documents.</p> <p>February 18, 2009, the Principal requested an investigation by SIU.</p>

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
Fort Lauderdale High School	<p>Vending Commissions</p> <p>During our review of vending machines, we noted the vendor issued a \$12,000 check to the school. Of that amount, \$4,000 was transferred to the Faculty account to purchase t-shirts for staff. The faculty account also received monthly commission checks for this year.</p>	No Audit Exceptions

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
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Indian Ridge Middle School

1. Vending Agreement

No Audit Exceptions

During our review of the Faculty account, we noted the school received a check in the amount of \$10,000 as part of the vending agreement. The funds were receipted into the Faculty account. Approximately \$9,040.43 was spent on staff for various luncheons, breakfasts and gift purchases.

2. Disbursements

During our review of disbursements, we noted:

- a. Thirty-six (36) blank checks were pre-signed by the Principal and bookkeeper without listing a designated payee. In addition, two (2) checks contained the signature of the bookkeeper only.
- b. Sales tax was not paid for three (3) expenditures from the Faculty account.
- c. The check number imprinted for one (1) disbursement did not agree with the computer generated check number.
- d. Two (2) disbursements were made payable to individuals for services rendered.
- e. Four (4) disbursements from Club accounts (Cheerleading, SGA, & National Junior Honor Society) were not supported with respective Club Minutes.

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
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Indian Ridge Middle School

3. Payroll

No Audit Exceptions

During our sample review of payroll records from February 22, 2010 through April 4, 2010, we noted:

- a. Initial Time Management (ZTIM) and Gross and Net Earnings Reports (ZEARNINGS) for "BB" payroll were not printed and approved in a timely manner. An extended review disclosed the untimely printing and approval of ZTIM and ZEARNINGS Reports for both "AA" and "BB" payrolls; reports were either printed on or after the payroll check date. The Office Manager (payroll processor) stated that she was unable to print the required reports due to printer service issues. Documents show that a service call was placed to the vendor on or around February 8, 2010. However, there was a two (2) month delay in reports being printed and approved, despite the fact that the printer was functioning properly at various periods within the two (2) month timeframe.
- b. Vacation/Leave Request Forms were not completed for twelve (12) employees.
- c. Obsolete Vacation/Leave Request Forms were used to document leave.

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
Indian Ridge Middle School	<ul style="list-style-type: none"> d. The dates and/or total hours documented on two (2) Vacation/ Leave Request Forms did not agree with the ZTIM Report. e. Temporary Duty Authorization (TDA) leave was not entered in SAP for one (1) teacher on TDA assignment. f. TDA forms were not completed for two (2) employees. g. Additional hours worked by two (2) custodial employees in their secondary positions were neither documented nor approved by the Principal. In addition, total hours documented on the ZTIM Report did not agree with the Custodial Payroll Timesheet for one (1) employee. h. Neither the employee's time-in nor time-out was documented on the Custodial Payroll timesheet. In addition, the timesheet was not approved by the Principal/ Head Facilities Supervisor. 	No Audit Exceptions

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
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Pine Ridge Alternative Center

Late Remittances

No Audit Exceptions

During our review of cash collections, we noted staff held eight (8) remittances totaling \$377.00 for four (4) to twelve (12) days before remitting them to the bookkeeper.

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
Piper High School	<p>Late Deposits</p> <p>During our review of FY 2009 deposits, we noted one (1) deposit totaling \$4,098 was held over the Winter Break (ten (10) business days). Of this amount, \$3,676 was cash.</p> <p>Cheerleading</p> <p>During our review of student accounts, we noted that in prior years there was activity in the cheerleading accounts. But, during fiscal year 2009 there were no funds in the account even though the students went to the State competition.</p> <p>For the 2008-2009 school year the only activity in the cheerleading account was for a fundraiser and a payment from Risk Management for a loss from the theft. For the 2009-2010 school year, the only activity in the cheerleading account was the refund to parents for items they never received and the collection of some student obligations from prior years.</p>	<p>Missing Funds-Repeat Finding Principal</p> <p>In October 2008 the school's Principal requested a Special Investigative Unit (SIU) investigation due to irregularities for collections by the Cheerleading coach totaling \$5,169.21. These irregularities included the use of unauthorized receipting documents and discrepancies between collections and deposits. On June 16, 2009, the Board terminated this employee.</p> <p>A further investigation required the reconstruction of the coach's collections and established that the total collected and not deposited was \$1,929.21 (\$5,169.21 - \$3,240 collections and payments recorded by the school). These funds were collected from students mainly for the purchase of cheerleading supplies. The school has refunded the students the funds; at the time of this audit, the school had not received any refund monies from Risk Management.</p> <p>Tickets</p> <p>The analysis of ticket activity revealed:</p> <ul style="list-style-type: none"> • The loss of one roll of complimentary tickets (667 tickets) and the loss of 458 tickets from a seven dollar ticket roll, for a loss of \$3,206.

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
Piper High School	<p>Through discussions with school personnel, we learned the cheerleading activities were handled by the Piper High School Cheerleading Booster Club, an organization which filed with the State of Florida on June 22, 2009. The Registered Agent for the Booster Club is the cheerleading coach. She was paid through the School Board for Supplemental Only positions and received four (4) supplemental payments.</p> <p style="text-align: center;">Merchandising Activities</p> <p>During our review of the school's merchandising activities we noted:</p> <ul style="list-style-type: none">a) Collections for one candy sale were made in a lump sum, instead of writing each student's name on the monies collection envelope.b) The senior class had two (2) candy sale fundraisers with outstanding obligations from these two (2) sales of \$4,316. After \$2,912 was collected, the senior obligations at year end still totaled \$1,404.c) The number of items purchased for the senior class candy sale was incorrect on the Purchasing Summary section on the fundraising financial report.d) The ROTC Candy	

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
Piper High School	<p>was collected during the 2009 Fiscal Year. This left \$1,439.60 in outstanding obligations.</p> <p>e) The Band purchased 4,096 candy bars. Although sales were enough to cover the bill, there were \$194 in student obligations without a list attached.</p> <p>f) The Athletic Director discarded 139 left over parking decals from 2008-2009. Therefore, there was no way to verify if the sales were correct.</p>	No Audit Exceptions

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2006-07-2007-08
Wilton Manors Elementary School	<p>Late Remittances</p> <p>During our review of cash collections, we noted staff held thirty (30) remittances totaling \$4,250.95 ranging from four (4) to nine (9) days before remitting them to the bookkeeper.</p>	<p>Negative Cash Balance</p> <p>Our review of the year-to-date reports for FY 2007 disclosed the Bookkeeper closed the Internal Accounts with a negative cash balance of (\$1,651.37).</p> <p>The Bookkeeper was able to deposit additional funds to avoid non payment of any checks.</p>

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
Everglades High School	<p>Missing Funds</p> <p>The current investigation of missing funds from student obligations was requested by the Principal on March 11, 2010. A Clerk Typist II is alleged to have stolen funds when students paid with cash for text books, calculators, CDs, candy sales, and journalism press passes. This clerk collected funds for student obligations and ID badges from September 2009 to March 2010. We estimate approximately \$1,500 is missing.</p> <p>Special Investigative Unit (SIU) was contacted after several students complained that they did not receive a receipt for payments given to this clerk for their obligation(s). The front-office employees, with the Principal's approval, conducted an in-house investigation by checking the TERMS system to verify whether these students had indeed paid for their obligation(s). They also conducted a text book inventory to ensure that obligations that were cleared in TERMS were replaced only when a text book was actually returned.</p>	<p>No Audit Exceptions</p>

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
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Everglades High School

During the first week of March 2010 the front-office employees, who include the Office Manager, Bookkeeper, Payroll Contact, and Budgetkeeper, gave signed statements after interviewing a total of ten (10) students. The following was learned after the in-house investigation:

No Audit Exceptions

1. The names of students who paid with cash did not appear in the BC-40P receipt book.
2. Student(s) obligations were deleted in TERMS (A-25 screen).
3. The same BC-40P receipt number was recorded in TERMS for several students.
4. Students who had obligation(s) and claimed to have paid cash did not have a record of obligations in TERMS.

In addition, it is suspected that this clerk indicated "RETURNED" in the TERMS screen of several athletes by agreeing to settle their obligations for a fee (cash). Text books do not have a bar code; therefore tracing text books to a particular student was not possible.

**SELECTED SCHOOLS
ANALYSIS OF CURRENT AND PRIOR
AUDIT FINDINGS BY SCHOOL**

SCHOOL	CURRENT AUDIT PERIOD 2008-09	PRIOR AUDIT PERIOD 2007-08
Everglades High School	<p>Based on the previous years' collections, during the same time period, we estimate that between \$1,000 to \$2,000 in cash could be missing from obligations as follows:</p> <p>The Lost and Damaged Texts account total receipts from obligations at year-end:</p> <p style="margin-left: 40px;">2007/2008 - \$13,841.65 2008/2009 - \$11,297.00 2009/2010 - \$ 9,400.72</p> <p>Although another employee is assigned to collect obligations, this clerk is currently still employed with the District at Everglades High pending the outcome of the SIU investigation. A barcode system will be implemented for textbooks which would help trace students assigned to textbooks and other obligations.</p> <p>2. Vending Commissions</p> <p>The Bookkeeper assigned \$5,000 of the school's \$100,000 vending commission for the faculty. Although \$2,500 was already placed in the faculty account at the beginning of the school year, another \$2,500 was placed in Student Council for "teacher appreciation breakfast" as stated on the vending company's check memo. These funds were spent on gifts and meals for the faculty.</p>	No Audit Exceptions

SECTION I:
Audit Reports (with No Exceptions)

COCONUT CREEK ELEMENTARY SCHOOL
 AUDIT REPORT
 FOR THE 2009-10 FISCAL YEAR
 JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 500 NW 45th Avenue, Coconut Creek, Florida 33066
Principal: Katherine Good
Bookkeepers: Janie Ochacher (December 2009 to current)
 Linda Wallerstein (July 2009 to November 2009)
Payroll Processor: Eileen Pollock

CASH AND INVESTMENTS SUMMARY

	<u>6/30/10</u>
Cash Account:	
Checking Account – Wachovia	\$ 6,534.60
Investment:	
Treasurer’s Pool Account	<u>15,000.00</u>
TOTAL	\$ <u>21,534.60</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Coconut Creek Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedure.

COCONUT CREEK ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 1,322.46	\$ 19,057.89	\$ 19,202.50	\$ 1,177.85
Clubs	791.21	3,828.00	4,173.83	445.38
Departments	3,205.46	0.00	0.00	3,205.46
Trusts	8,358.14	421,641.81	420,725.11	9,274.84
General	8,699.11	1,927.41	3,195.45	7,431.07
TOTALS	<u>\$ 22,376.38</u>	<u>\$ 446,455.11</u>	<u>\$ 447,296.89</u>	<u>\$ 21,534.60</u>

CORAL SPRINGS MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 10300 W. Wiles Road, Coral Springs, Florida 33076
Principal: Ian Murray
Bookkeeper: Cynthia Bosworth
Payroll Processor: Cynthia Drayton

CASH AND INVESTMENT SUMMARY

	<u>6/30/10</u>
Cash Account:	
Checking Account – Wachovia	\$ 46,399.67
Investment:	
Treasurer’s Pool Account	<u>24,000.00</u>
TOTAL	\$ <u>70,399.67</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Coral Springs Middle School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

CORAL SPRINGS MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Music	\$ 607.47	\$ 12,804.47	\$ 12,417.07	\$ 994.87
Classes	3,463.93	211,626.57	208,878.72	6,211.78
Clubs	9,643.15	19,195.83	17,874.52	10,964.46
Departments	6,438.39	12,487.35	13,349.22	5,576.52
Trusts	37,952.39	60,453.40	65,126.36	33,279.43
General	<u>12,240.31</u>	<u>16,912.37</u>	<u>15,780.07</u>	<u>13,372.61</u>
TOTALS	<u>\$ 70,345.64</u>	<u>\$ 333,479.99</u>	<u>\$ 333,425.96</u>	<u>\$ 70,399.67</u>

COUNTRY HILLS ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 10550 Westview Drive, Coral Springs, Florida 33076
Principal: Kellee Stroup (July 2010 to present)
Principal
During Audit: Donna Morrison (2007 to June 2010)
Bookkeeper: Sylvia Goett
Payroll Processor: Sandy Bierwirth

CASH SUMMARY

Cash Account:	<u>6/30/10</u>
Checking Account – Bank of America	\$ <u>30,932.39</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Country Hills Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

COUNTRY HILLS ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 1,548.49	\$ 98,495.73	\$ 98,462.67	\$ 1,581.55
Clubs	3,562.80	9,901.45	10,322.57	3,141.68
Departments	12,743.77	3,758.48	2,641.76	13,860.49
Trusts	34,390.51	316,461.48	346,484.36	4,367.63
General	<u>12,454.95</u>	<u>10,336.90</u>	<u>14,810.81</u>	<u>7,981.04</u>
TOTALS	<u>\$ 64,700.52</u>	<u>\$ 438,954.04</u>	<u>\$ 472,722.17</u>	<u>\$ 30,932.39</u>

CYPRESS ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 851 SW 3rd Avenue, Pompano Beach, Florida 33060
Principal: Dr. Paulette Samai
Bookkeeper: Angelina Manfre-Affrunti
Payroll Processor: Nancy Kirk

CASH SUMMARY

Cash Account: 6/30/10

Checking Account – Wachovia \$ 19,034.60

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Cypress Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

CYPRESS ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 609.80	\$ 16,960.50	\$ 17,284.00	\$ 286.30
Clubs	1,186.21	1,555.95	1,272.69	1,469.47
Departments	4,385.46	1,094.91	2,447.00	3,033.37
Trusts	3,779.17	127,258.04	124,858.26	6,178.95
General	<u>7,988.27</u>	<u>4,847.36</u>	<u>4,769.12</u>	<u>8,066.51</u>
TOTALS	<u>\$ 17,948.91</u>	<u>\$ 151,716.76</u>	<u>\$ 150,631.07</u>	<u>\$ 19,034.60</u>

DEERFIELD PARK ELEMENTARY SCHOOL
AUDIT REPORT
FOR 2008-09 FISCAL YEAR
JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 650 SW 3rd Avenue, Deerfield Beach, Florida 33441
Principal: Constantina Pettis
Bookkeeper: Laverne Gaddy
Payroll Processor: Marilyn C. Fuller

CASH SUMMARY

Cash Account: 6/30/09

Checking Account – Wachovia \$ 8,337.67

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Deerfield Park Elementary School for the 2008-09 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 2008-09 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

DEERFIELD PARK ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 1,626.33	\$ 21,446.89	\$ 21,883.13	\$ 1,190.09
Clubs	439.28	6,283.72	6,455.53	267.47
Departments	1,542.38	1,905.17	1,874.27	1,573.28
Trusts	620.27	26,201.15	21,659.77	5,161.65
General	<u>1,088.12</u>	<u>8,378.64</u>	<u>9,321.58</u>	<u>145.18</u>
TOTALS	<u>\$ 5,316.38</u>	<u>\$ 64,215.57</u>	<u>\$ 61,194.28</u>	<u>\$ 8,337.67</u>

MARGATE ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 6300 NW 18 Street, Margate, Florida 33063

Principal: Thomas Schroeder (April 2010 to present)

Principal
During Audit: Sharon Schmidh (July 1996 to April 2010)

Bookkeeper: Dina Newland

Payroll Processor: Eileen Meyerson

CASH SUMMARY

Cash Account:	<u>6/30/10</u>
Checking Account – Bank of America	\$ <u>20,895.86</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Margate Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

MARGATE ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 1,644.19	\$ 23,748.88	\$ 24,382.99	\$ 1,010.08
Clubs	2,483.18	27,148.31	28,075.07	1,556.42
Departments	6,757.60	14,806.45	17,733.91	3,830.14
Trusts	6,579.24	18,420.64	21,303.28	3,696.60
General	<u>4,650.07</u>	<u>10,977.83</u>	<u>4,825.28</u>	<u>10,802.62</u>
TOTALS	<u>\$ 22,114.28</u>	<u>\$ 95,102.11</u>	<u>\$ 96,320.53</u>	<u>\$ 20,895.86</u>

MCNAB ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 1350 SE 9th Avenue, Pompano Beach, Florida 33060

Principal: Sharonda Bailey (July 2010 to present)

Bookkeeper: Susanne Winebrenner

Payroll Processor: Donna Banacker

CASH SUMMARY

Cash Account:	<u>6/30/10</u>
Checking Account – Wachovia	\$ <u>35,242.83</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of McNab Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

McNAB ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 634.43	\$ 13,228.50	\$ 13,287.25	\$ 575.68
Clubs	1,997.32	4,202.13	4,773.56	1,425.89
Departments	7,328.80	19,861.33	16,389.83	10,800.30
Trusts	1,918.55	29,174.89	28,420.66	2,672.78
General	<u>15,149.77</u>	<u>7,205.00</u>	<u>2,586.59</u>	<u>19,768.18</u>
TOTALS	<u>\$ 27,028.87</u>	<u>\$ 73,671.85</u>	<u>\$ 65,457.89</u>	<u>\$ 35,242.83</u>

NORCREST ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 3951 NE 16 Avenue, Pompano Beach, FL 33064

Principal: Ray LeFevre (July 2010 to current)

Principal during
Audit period: Roberta Ray (July 2005 to June 2010)

Bookkeepers: Pam Hewlett (August 2010 to September 2010)
Janie Ochacher (April 2010 to August 2010)
Judith Hamilton (November 2008 to August 2010)

Payroll Processor: Helaine Hoffman

CASH SUMMARY

Cash Account: 6/30/10

Checking Account – Wachovia \$ 15,930.62

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Norcrest Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

NORCREST ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 828.22	\$ 18,140.83	\$ 17,645.97	\$ 1,323.08
Clubs	345.23	3,633.31	3,365.02	613.52
Departments	1,541.34	213.88	439.50	1,315.72
Trust	4,677.87	312,321.59	304,974.98	12,024.48
General	<u>734.75</u>	<u>2,257.57</u>	<u>2,338.50</u>	<u>653.82</u>
TOTALS	<u>\$ 8,127.41</u>	<u>\$ 336,567.18</u>	<u>\$ 328,763.97</u>	<u>\$ 15,930.62</u>

PINWOOD ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 1600 SW 83 Avenue, North Lauderdale, Florida 33068

Principal: Karla Gary Orange

Principal
During Audit: Marie Goodrum Johnson

Bookkeeper: Mona Maxey

Payroll Processor: Sherry Giambrone

CASH SUMMARY

Cash Account:	<u>6/30/10</u>
Checking Account – Wachovia	\$ 15,922.64
Investment:	
Treasurer’s Pool Account	<u>30,000.00</u>
TOTAL	<u>\$ 45,922.64</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Pinewood Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

PINEWOOD ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Music	\$ 532.57	\$ 1,568.00	\$ 1,656.02	\$ 444.55
Classes	4,336.36	3,312.75	6,304.09	\$ 1,345.02
Clubs	3,591.56	2,924.62	3,031.24	3,484.94
Departments	2,020.27	4,436.99	2,930.08	3,527.18
Trust	5,024.83	25,402.78	26,171.51	4,256.10
General	<u>42,274.64</u>	<u>3,941.87</u>	<u>13,351.66</u>	<u>32,864.85</u>
TOTALS	<u>\$ 57,780.23</u>	<u>\$ 41,587.01</u>	<u>\$ 53,444.60</u>	<u>\$ 45,922.64</u>

POMPANO BEACH HIGH SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 600 NE 13th Avenue, Pompano Beach, Florida 33060

Principal: Hudson Thomas (July 2010 to present)

Principals during Audit Period: David Gordon (July 2006 to May 2010, Retired)
Sonja Braziel (Interim June 2010)

Bookkeeper: Mary Ann Baggette

Payroll Processor: Chris Duby

CASH SUMMARY

Cash Account: 6/30/10

Checking Account – Wachovia \$ 95,636.57

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Pompano Beach High School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

POMPANO BEACH HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 0.00	\$ 35,320.83	\$ 33,675.01	\$ 1,645.82
Music	0.00	6,915.00	6,915.00	0.00
Classes	5,785.81	39,209.49	38,526.99	6,468.31
Clubs	53,505.85	183,113.16	184,167.38	52,451.63
Departments	4,068.65	4,009.79	3,881.60	4,196.84
Trusts	14,252.68	136,265.38	128,359.83	22,158.23
General	1,506.06	24,344.09	17,134.41	8,715.74
TOTALS	<u>\$ 79,119.05</u>	<u>\$ 429,177.74</u>	<u>\$ 412,660.22</u>	<u>\$ 95,636.57</u>

BAYVIEW ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 1175 Middle River Drive, Fort Lauderdale, Florida 33304
Principal: JoEllen Scott
Bookkeeper: Marvette McCloud
Payroll Processor: Valerie Jones

CASH SUMMARY

6/30/10

Cash Account:

Checking Account – Wachovia \$ 60,150.19

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Bayview Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

BAYVIEW ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 1,999.33	\$ 51,111.37	\$ 51,784.38	\$ 1,326.32
Clubs	1,796.86	1,451.08	1,161.15	2,086.79
Departments	3,533.91	477.38	53.00	3,958.29
Trusts	1,234.98	26,947.31	24,099.65	4,082.64
General	<u>48,558.83</u>	<u>11,317.96</u>	<u>11,180.64</u>	<u>48,696.15</u>
TOTALS	<u>\$ 57,123.91</u>	<u>\$ 91,305.10</u>	<u>\$ 88,278.82</u>	<u>\$ 60,150.19</u>

COMMUNITY SCHOOL NORTH
 AUDIT REPORT
 FOR THE 2008-09 FISCAL YEAR
 JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 1300 SW 32nd Court, Fort Lauderdale, Florida 33315

Principal: Wade Edmond

Bookkeeper: Joyce O'Brien

Payroll Processors: Vivian Bryant
 Jeanette Gonzalez

CASH AND INVESTMENTS SUMMARY

	<u>6/30/09</u>
Cash Account:	
Checking Account – Wachovia	\$ 122,570.21
Investment:	
Treasurer's Pool Account	<u>177,036.92</u>
TOTAL	\$ <u>299,607.13</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Community School North for the 2008-09 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 2008-09 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

COMMUNITY SCHOOL NORTH

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Departments	\$ 2,330.67	\$ 522.25	\$ 910.63	\$ 1,942.29
Trusts	449,493.47	1,732,661.13	1,988,606.41	193,548.19
General	<u>105,684.29</u>	<u>22,656.90</u>	<u>24,224.54</u>	<u>104,116.65</u>
TOTALS	<u><u>\$ 557,508.43</u></u>	<u><u>\$ 1,755,840.28</u></u>	<u><u>\$ 2,013,741.58</u></u>	<u><u>\$ 299,607.13</u></u>

COMMUNITY SCHOOL SOUTH
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 1300 S W 32 Court, Ft. Lauderdale, FL 33315
Principal: Mary McGinnis
Bookkeeper: Betsy Clinger
Payroll Processor: Barbara Davis

CASH AND INVESTMENTS SUMMARY

	<u>6/30/10</u>
Cash Account:	
Checking Account – Wachovia	\$ 74,014.82
Investment:	
Treasurer’s Pool Account	<u>400,000.00</u>
TOTAL	\$ <u>474,014.82</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Community School South for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

COMMUNITY SCHOOL SOUTH

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Clubs	\$ 1,057.75	\$ 1,155.80	\$ 410.26	\$ 1,803.29
Departments	6,565.68	0.00	6,565.68	0.00
Trusts	373,764.16	101,715,989.98	101,732,546.28	357,207.86
General	<u>120,557.27</u>	<u>20,863.01</u>	<u>26,416.61</u>	<u>115,003.67</u>
TOTALS	<u>\$ 501,944.86</u>	<u>\$ 101,738,008.79</u>	<u>\$ 101,765,938.83</u>	<u>\$ 474,014.82</u>

FALCON COVE MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 4251 Bonaventure Blvd., Weston, Florida 33332
Principal: Mark Kaplan
Bookkeeper: Maria Maura
Payroll Processors: Michelle Stefani (AA Payroll)
Debbie Youngblood (BB Payroll)

CASH AND INVESTMENT SUMMARY

	<u>6/30/10</u>
Cash Account:	
Checking Account – Wachovia	\$ 79,411.48
Investment:	
Treasurer’s Pool Account	<u>60,000.00</u>
TOTAL	\$ <u>139,411.48</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Falcon Cove Middle School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

FALCON COVE MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 12,770.68	\$ 38,153.20	\$ 38,950.87	\$ 11,973.01
Music	20,972.14	59,629.28	56,439.23	24,162.19
Classes	1,010.00	272,794.70	273,261.75	542.95
Clubs	33,932.58	70,028.76	72,414.74	31,546.60
Departments	10,640.71	24,581.14	24,840.16	10,381.69
Trusts	1,377.81	158,028.90	155,996.28	3,410.43
General	46,811.18	34,264.74	23,681.31	57,394.61
TOTALS	<u>\$ 127,515.10</u>	<u>\$ 657,480.72</u>	<u>\$ 645,584.34</u>	<u>\$ 139,411.48</u>

INDIAN TRACE ELEMENTARY SCHOOL
 AUDIT REPORT
 FOR THE 2008-09 FISCAL YEAR
 JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 400 Indian Trace, Weston, Florida 33326
Principal: Wanda Ross
Bookkeepers: Elaine Casserly (April 2010 to presents)
 Luz Crompton (July 2008 to April 2010)
Payroll Processor: Alba Ubinas

CASH AND INVESTMENT SUMMARY

	<u>6/30/09</u>
Cash Account:	
Checking Account – Wachovia	\$ 6,543.09
Investment:	
Treasurer’s Pool Account	<u>7,500.00</u>
TOTAL	\$ <u>14,043.09</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Indian Trace Elementary School for the 2008-09 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 2008-09 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

INDIAN TRACE ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Music	\$ 3,034.52	\$ 5,190.00	\$ 5,342.20	\$ 2,882.32
Classes	4,816.04	35,359.25	39,677.25	498.04
Clubs	(55.21)	2,596.64	1,985.05	556.38
Departments	802.69	333.10	149.75	986.04
Trusts	6,586.52	277,529.12	280,817.75	3,297.89
General	2,290.04	9,434.17	5,901.79	5,822.42
TOTALS	<u>\$ 17,474.60</u>	<u>\$ 330,442.28</u>	<u>\$ 333,873.79</u>	<u>\$ 14,043.09</u>

MANATEE BAY ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 19200 SW 36th Street, Weston, Florida 33332

Principal: Heather Hedman-Devaughn

Principal
During Audit: Donna McCann

Bookkeeper: Diane Mulberger

Payroll Processor: Raquel Suarez

CASH SUMMARY

Cash Account:	<u>6/30/10</u>
Checking Account – Wachovia	\$ <u>68,676.91</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Manatee Bay Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

MANATEE BAY ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 4,438.03	\$ 196,501.54	\$ 197,386.13	\$ 3,553.44
Clubs	812.24	4,111.61	4,175.24	748.61
Departments	12,093.28	552.32	161.84	12,483.76
Trusts	3,399.36	24,014.16	20,167.01	7,246.51
General	<u>42,369.76</u>	<u>12,863.30</u>	<u>10,588.47</u>	<u>44,644.59</u>
TOTALS	<u>\$ 63,112.67</u>	<u>\$ 238,042.93</u>	<u>\$ 232,478.69</u>	<u>\$ 68,676.91</u>

MEADOWBROOK ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 2300 SW 46 Avenue, Fort Lauderdale, Florida 33317

Principal: Matthew Whaley

Bookkeeper: Shelia Jones

Payroll Processor: Kathleen Lindow

CASH SUMMARY

Cash Account: 6/30/10

Checking Account – Wachovia \$ 10,596.91

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Meadowbrook Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

MEADOWBROOK ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Music	\$ 64.03	\$ 7.64	\$ 71.67	\$ 0.00
Classes	49.38	10,497.00	8,152.70	2,393.68
Clubs	899.58	535.20	507.67	927.11
Departments	2,073.72	1,786.11	1,543.58	2,316.25
Trusts	1,271.74	13,768.78	13,714.50	1,326.02
General	8,704.63	7,175.31	12,246.09	3,633.85
TOTALS	<u>\$ 13,063.08</u>	<u>\$ 33,770.04</u>	<u>\$ 36,236.21</u>	<u>\$ 10,596.91</u>

SHERIDAN TECHNICAL CENTER
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 5400 Sheridan Street, Hollywood, Florida 33021
Director: Robert Boegli
Bookkeeper: Luis F. Castano
Payroll Processor: Jessica Mancilla

CASH AND INVESTMENT SUMMARY

	<u>6/30/10</u>
Cash Account:	
Checking Account – Regents	\$ 66,328.65
Investment:	
Treasurer's Pool Account	<u>575,000.00</u>
TOTAL	\$ <u>641,328.65</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Sheridan Technical Center for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

SHERIDAN TECHNICAL CENTER

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 24,759.11	\$ 145,363.26	\$ 150,080.81	\$ 20,041.56
Clubs	9,655.50	27,555.92	21,277.28	15,934.14
Departments	24.05	384,680.74	384,389.76	315.03
Trusts	369,848.98	5,999,767.23	6,064,719.67	304,896.54
General	<u>323,792.33</u>	<u>1,503,855.26</u>	<u>1,527,506.21</u>	<u>300,141.38</u>
TOTALS	<u>\$ 728,079.97</u>	<u>\$ 8,061,222.41</u>	<u>\$ 8,147,973.73</u>	<u>\$ 641,328.65</u>

WHIDDON ROGERS EDUCATION CENTER
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 700 SW 26 Street, Fort Lauderdale, Florida 33315

Principal: David Watkins (July 2010 to present)

Principal
During Audit: Linda Thomas (August 2000 to May 2010)

Bookkeeper: Juanita Boggan

Payroll Processor: Lorraine Brooks

CASH AND INVESTMENT SUMMARY

	<u>6/30/10</u>
Cash Account:	
Checking Account: Wachovia	\$ 6,129.55
Investment: Certificate	<u>10,000.00</u>
TOTAL	<u>\$ 16,129.55</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Whiddon Rogers Education Center for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

WHIDDON ROGERS EDUCATION CENTER

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Clubs	\$ 4,443.60	\$ 7,893.20	\$ 6,729.53	\$ 5,607.27
Departments	1,228.14	302.00	0.00	1,530.14
Trusts	17,812.18	33,220.11	48,899.35	2,132.94
General	<u>13,357.40</u>	<u>3,100.87</u>	<u>9,599.07</u>	<u>6,859.20</u>
TOTALS	<u>\$ 36,841.32</u>	<u>\$ 44,516.18</u>	<u>\$ 65,227.95</u>	<u>\$ 16,129.55</u>

ATTUCKS MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 3500 N. 22nd Avenue, Hollywood, Florida 33020

Principal: Teresa Hall (July 2010 to present)

Principal
During Audit: Carletha Shaw (September 2006 to June 2010)

Bookkeeper: Esther Rosario

Payroll Processor: Donna Cummings

CASH SUMMARY

Cash Account:	<u>6/30/10</u>
Checking Account – Bank of America	\$ <u>26,500.64</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Attucks Middle School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

ATTUCKS MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 629.69	\$ 8,502.50	\$ 8,451.83	\$ 680.36
Music	1,046.03	2,114.80	2,997.67	163.16
Classes	3,648.50	38,770.17	38,917.80	3,500.87
Clubs	6,281.48	18,983.28	17,359.15	7,905.61
Departments	6,382.65	7,195.52	6,558.57	7,019.60
Trusts	5,953.35	76,072.02	75,013.97	7,011.40
General	<u>50.74</u>	<u>3,896.83</u>	<u>3,727.93</u>	<u>219.64</u>
TOTALS	<u>\$ 23,992.44</u>	<u>\$ 155,535.12</u>	<u>\$ 153,026.92</u>	<u>\$ 26,500.64</u>

BETHUNE ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 2400 Meade Street, Hollywood, Florida 33020
Principal: Mary Lou Ridge
Bookkeeper: Laura S. Patallo
Payroll Processor: Barbara Richmond

CASH SUMMARY

Cash Account: 6/30/10

 Checking Account – Wachovia \$ 38,707.16

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Bethune Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

BETHUNE ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Music	\$ 12,276.52	\$ 1,609.40	\$ 946.34	\$ 12,939.58
Classes	3,547.35	12,496.61	14,545.34	1,498.62
Clubs	3,609.77	2,516.55	2,462.16	3,664.16
Departments	351.00	56.80	0.00	407.80
Trusts	6,364.26	25,321.23	20,207.22	11,478.27
General	<u>6,526.96</u>	<u>3,768.56</u>	<u>1,576.79</u>	<u>8,718.73</u>
TOTALS	<u>\$ 32,675.86</u>	<u>\$ 45,769.15</u>	<u>\$ 39,737.85</u>	<u>\$ 38,707.16</u>

BOULEVARD HEIGHTS ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 7201 Johnson Street, Hollywood, Florida 33024
Principal: Dr. Ricardo Garcia
Principal
During Audit: Linda Pazos
Bookkeeper: Muhammad Uppal
Payroll Processor: Lisa M. Holmes

CASH SUMMARY

6/30/10

Cash Account:

Checking Account – Wachovia \$ 44,004.93

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Boulevard Heights Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures

BOULEVARD HEIGHTS ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 602.50	\$ 37,390.44	\$ 37,362.84	\$ 630.10
Clubs	2,376.44	3,416.02	3,501.96	2,290.50
Departments	8,916.69	10,430.12	11,762.21	7,584.60
Trusts	12,823.69	24,746.94	22,459.09	15,111.54
General	<u>24,373.58</u>	<u>6,189.84</u>	<u>12,175.23</u>	<u>18,388.19</u>
TOTALS	<u>\$ 49,092.90</u>	<u>\$ 82,173.36</u>	<u>\$ 87,261.33</u>	<u>\$ 44,004.93</u>

CORAL COVE ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 5100 SW 148th Avenue, Miramar, Florida 33027

Principal: Philip Bullock (July 2010 to present)

Principal during
Audit Period: Marilyn Holmes (July 2004 to June 2010)

Bookkeeper: Minerva Carlo

Payroll Processor: Gail Duffy

CASH AND INVESTMENT SUMMARY

Cash Account:	<u>6/30/10</u>
Checking Account – Wachovia	\$ <u>28,528.98</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Coral Cove Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

CORAL COVE ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 2,249.51	\$ 63,901.50	\$ 64,399.87	\$ 1,751.14
Clubs	2,411.26	8,651.68	8,113.88	2,949.06
Departments	192.09	578.19	448.57	321.71
Trust	500.00	25,804.25	24,230.45	2,073.80
General	<u>17,756.61</u>	<u>9,852.57</u>	<u>6,175.91</u>	<u>21,433.27</u>
TOTALS	<u>\$ 23,109.47</u>	<u>\$ 108,788.19</u>	<u>\$ 103,368.68</u>	<u>\$ 28,528.98</u>

DOLPHIN BAY ELEMENTARY SCHOOL AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 16450 Miramar Parkway, Miramar, Florida 33027

Principal: Sandra Nelson (July 2010 to present)

Principal during
Audit Period: Irene Cejka (July 2005 to June 2010)

Bookkeeper: Maria Lopez

Payroll Processor: Donna Dardeen

CASH SUMMARY

Cash Account:	<u>6/30/10</u>
Checking Account -- Wachovia	\$ <u>23,159.31</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Dolphin Bay Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

DOLPHIN BAY ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 1,629.00	\$ 32,238.25	\$ 30,824.25	\$ 3,043.00
Clubs	1,019.13	4,391.40	3,744.85	1,665.68
Departments	5,497.14	12,841.79	11,513.64	6,825.29
Trusts	5,154.88	31,900.27	34,567.51	2,487.64
General	<u>9,151.49</u>	<u>6,497.14</u>	<u>6,510.93</u>	<u>9,137.70</u>
TOTALS	<u>\$ 22,451.64</u>	<u>\$ 87,868.85</u>	<u>\$ 87,161.18</u>	<u>\$ 23,159.31</u>

DRIFTWOOD ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 2700 NW 69th Avenue, Hollywood, Florida 33024

Principal: Gladys Donovan

Bookkeeper: JoAnn Pazienza

Payroll Processor: Darcy Lauridsen

CASH SUMMARY

6/30/10

Cash Account:

Checking Account – Wachovia

\$ 35,231.88

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Driftwood Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

DRIFTWOOD ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 157.05	\$ 9,092.00	\$ 7,680.00	1,569.05
Clubs	1,170.13	2,756.94	2,635.08	1,291.99
Departments	234.51	210.85	0.00	445.36
Trust	608.85	120,724.31	120,911.81	421.35
General	<u>31,009.35</u>	<u>4,867.44</u>	<u>4,372.66</u>	<u>31,504.13</u>
TOTALS	<u>\$ 33,179.89</u>	<u>\$ 137,651.54</u>	<u>\$ 135,599.55</u>	<u>\$ 35,231.88</u>

GULFSTREAM MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 120 SW 4th Avenue, Hallandale, Florida 33009

Principal: Brian Kingsley

Principal
During Audit: Debra Patterson

Bookkeeper: Ana Taylor

Payroll Processor: June Shore

CASH SUMMARY

Cash Account:	<u>6/30/10</u>
Checking Account – Wachovia	\$ <u>5,678.65</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Gulfstream Middle School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

GULFSTREAM MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 1,174.52	\$ 4,343.50	\$ 4,385.00	\$ 1,133.02
Music	0.00	262.79	76.00	186.79
Classes	0.00	4,358.00	4,358.00	0.00
Clubs	1,770.25	9,107.54	9,250.63	1,627.16
Departments	675.02	874.10	830.39	718.73
Trusts	1,399.86	31,227.42	30,652.58	1,974.70
General	72.24	85.40	119.39	38.25
TOTALS	<u>\$ 5,091.89</u>	<u>\$ 50,258.75</u>	<u>\$ 49,671.99</u>	<u>\$ 5,678.65</u>

HALLANDALE ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 900 SW 8th Street, Hallandale, Florida 33009
Principal: Sharon Ludwig
Bookkeeper: Angela Garcia
Payroll Processor: Kathy Wernecke

CASH SUMMARY

Cash Account:	<u>6/30/10</u>
Checking Account – Wachovia	\$ <u>6,924.87</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Hallandale Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

HALLANDALE ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 2,945.68	\$ 9,174.67	\$ 10,722.05	\$ 1,398.30
Clubs	3,406.61	3,383.25	4,469.11	2,320.75
Departments	2,930.57	2,179.86	4,173.73	936.70
Trusts	2,327.27	168,590.39	170,153.89	763.77
General	<u>2,415.25</u>	<u>4,455.60</u>	<u>5,365.50</u>	<u>1,505.35</u>
TOTALS	<u>\$ 14,025.38</u>	<u>\$ 187,783.77</u>	<u>\$ 194,884.28</u>	<u>\$ 6,924.87</u>

LAKESIDE ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 900 NW 136th Avenue, Pembroke Pines, Florida 33028
Principal: Linda Pazos
Bookkeeper: Tina Caldwell
Payroll Processor: Lisa Holmes

CASH SUMMARY

Cash Account: 6/30/10
Checking Account – Wachovia \$ 11,556.24

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Lakeside Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

LAKESIDE ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 769.45	\$ 9,432.75	\$ 9,397.52	\$ 804.68
Clubs	606.54	3,747.80	3,552.69	801.65
Departments	1,123.70	515.41	886.69	752.42
Trusts	3,003.22	463,587.25	463,254.02	3,336.45
General	<u>6,976.67</u>	<u>10,063.92</u>	<u>11,179.55</u>	<u>5,861.04</u>
TOTALS	<u>\$ 12,479.58</u>	<u>\$ 487,347.13</u>	<u>\$ 488,270.47</u>	<u>\$ 11,556.24</u>

MIRAMAR ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 6831 SW 26th Street, Miramar, Florida 33023
Principal: Rebeca Brito (July 2010 to present)
Principal during Audit period: Philip Bullock (April 2004 to June 2010)
Bookkeeper: Sylvia Stavitzski
Payroll Processor: Gail Duffy

CASH SUMMARY

Cash Account:	<u>6/30/10</u>
Checking Account – Wachovia	\$ <u>23,665.34</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Miramar Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

MIRAMAR ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Music	\$ 183.74	\$ 0.00	\$ 130.45	\$ 53.29
Classes	1,576.60	17,803.00	18,565.10	814.50
Clubs	397.43	5,167.74	5,260.28	304.89
Departments	7,641.90	2,737.96	2,068.52	8,311.34
Trusts	1,600.54	37,120.32	31,686.46	7,034.40
General	5,041.19	4,737.24	2,631.51	7,146.92
TOTALS	<u>\$ 16,441.40</u>	<u>\$ 67,566.26</u>	<u>\$ 60,342.32</u>	<u>\$ 23,665.34</u>

NOVA MIDDLE SCHOOL
 AUDIT REPORT
 FOR THE 2009-10 FISCAL YEAR
 JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 3602 College Avenue, Davie, Florida 33314

Principal: Irene Cejka (July 2010 to present)

Principal During Audit: Dr. Ricardo Garcia (July 2004 to June 2010)

Bookkeeper: Tiquila Daniels

Payroll Processor: Barbara Becker

CASH AND INVESTMENT SUMMARY

	<u>6/30/10</u>
Cash Account:	
Checking Account – Wachovia	\$ 5,784.11
Investment:	
Treasurer’s Pool Account	<u>10,000.00</u>
TOTAL	\$ <u>15,784.11</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Nova Middle School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

NOVA MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 0.00	\$ 1,678.00	\$ 1,678.00	\$ 0.00
Music	501.93	2,240.00	1,868.91	873.02
Classes	2,584.00	155,709.00	157,291.00	1,002.00
Clubs	12,051.86	43,401.26	46,072.69	9,380.43
Departments	824.67	8,647.60	8,002.76	1,469.51
Trust	1,024.33	11,088.85	10,689.68	1,423.50
General	<u>4,375.96</u>	<u>10,652.37</u>	<u>13,392.68</u>	<u>1,635.65</u>
TOTALS	<u>\$ 21,362.75</u>	<u>\$ 233,417.08</u>	<u>\$ 238,995.72</u>	<u>\$ 15,784.11</u>

SEA CASTLE ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2009-10 FISCAL YEAR
JULY 1, 2009 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 9600 Miramar Blvd., Miramar, Florida 33025
Principal: Riquelme Rodriguez (July 2010 to present)
Principal during Audit Period: Dr. Michael Cosimano (July 2009 to July 2010)
Bookkeeper: Migna Santiago
Payroll Processor: Karen Baer

CASH SUMMARY

Cash Account:	<u>6/30/10</u>
Checking Account – Bank of America	\$ <u>9,832.11</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Sea Castle Elementary School for the 2009-10 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 2009-10 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

SEA CASTLE ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 1,515.90	\$ 11,176.00	\$ 10,578.50	\$ 2,113.40
Clubs	1,013.79	1,109.17	629.38	1,493.58
Departments	1,513.12	6,725.55	6,923.90	1,314.77
Trusts	1,079.84	33,779.72	34,307.98	551.58
General	<u>1,626.36</u>	<u>5,085.11</u>	<u>2,352.69</u>	<u>4,358.78</u>
TOTALS	<u>\$ 6,749.01</u>	<u>\$ 57,875.55</u>	<u>\$ 54,792.45</u>	<u>\$ 9,832.11</u>

SUNSHINE ELEMENTARY SCHOOL
 AUDIT REPORT
 FOR THE 2008-09 AND 2009-10 FISCAL YEARS
 JULY 1, 2008 THROUGH JUNE 30, 2010

PROFILE OF THE SCHOOL

Address: 7737 W LaSalle Boulevard, Miramar, Florida 33023

Principal: Donna Patton (July 2010 to present)

Principal
During the Audit: Lewis Jackson (July 2008 to June 2009)

Bookkeeper: Joanne Day

Payroll Processor: Janine Schaut

CASH AND INVESTMENT SUMMARY

	<u>6/30/09</u>	<u>6/30/10</u>
Cash Account:		
Checking Account – Wachovia	\$ 7,359.81	\$ 5,757.53
Investment:		
Treasurer’s Pool Account	15,000.00	15,000.00
TOTAL	\$ 22,359.81	\$ 20,757.53

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Sunshine Elementary School for the 2008-09 and 2009-10 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 statement of the school presents fairly, in all material respects, the changes in fund balances arising from cash transactions during the 2008-09 and 2009-10 fiscal years, 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

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

SUNSHINE ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Music	\$7.41	\$0.00	\$0.00	\$7.41
Classes	1,218.59	24,330.30	25,108.70	440.19
Clubs	470.05	8,705.09	8,309.63	865.51
Departments	2,706.75	5,959.46	6,180.64	2,485.57
Trust	1,364.81	198,087.70	197,771.33	1,681.18
General	<u>13,668.84</u>	<u>4,616.03</u>	<u>1,404.92</u>	<u>16,879.95</u>
TOTALS	<u><u>\$ 19,436.45</u></u>	<u><u>\$ 241,698.58</u></u>	<u><u>\$ 238,775.22</u></u>	<u><u>\$ 22,359.81</u></u>

SUNSHINE ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2009 - 2010

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Music	\$ 7.41	\$ 0.00	\$ 0.00	\$ 7.41
Classes	440.19	22,009.61	22,001.05	448.75
Clubs	865.51	9,118.67	9,099.24	884.94
Departments	2,485.57	5,489.66	6,447.09	1,528.14
Trusts	1,681.18	162,636.32	162,261.18	2,056.32
General	<u>16,879.95</u>	<u>4,492.26</u>	<u>5,540.24</u>	<u>15,831.97</u>
TOTALS	<u>\$ 22,359.81</u>	<u>\$ 203,746.52</u>	<u>\$ 205,348.80</u>	<u>\$ 20,757.53</u>

SECTION II:
Audit Reports (with Exceptions)

COCONUT CREEK HIGH SCHOOL
AUDIT REPORT
FOR THE 2008-09 FISCAL YEAR
JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 1400 NW 44th Avenue, Coconut Creek, Florida 33066

Principal: David Jones

Bookkeeper: Regina Van Wie

Payroll Processor: Barbara Combs

CASH AND INVESTMENT SUMMARY

	<u>6/30/09</u>
Cash Account:	
Checking Account – Wachovia	\$ 56,684.35
Investment:	
Treasurer’s Pool Account	<u>60,000.00</u>
TOTAL	<u>\$ 116,684.35</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Coconut Creek High School for the 2008-09 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 2008-09 fiscal year, on the cash basis of accounting. However, as indicated by the findings, the school administration should emphasize adherence to the policies and procedures in the School Board's Policies and the Standard Practice Bulletins, which establishes the system of internal controls designed by the District administration.

AUDIT EXCEPTION

Vending Commissions

During our review of vending machines' commissions, we found the bookkeeper made excessive deposits of \$5,700 into the Faculty account.

Our analysis of the Faculty account indicated total expenditures of \$9,168 for the 2008-2009 school year. The \$9,168 includes a beginning balance of \$1,627.61 and other deposits to the account. Account expenditures of \$7,040 or (80%) were for employee incentives, gifts, food, and other staff accommodations.

There is no Florida State Statute, School Board Policy, or Standard Practice Bulletin that allows budgeted funds or internal funds to be expended on meals or refreshments which are not attributable to travel or promotion and hospitality.

School Board Policy 3411 Internal Accounts states "All monies collected or disbursed by school personnel or by students within a school, in connection with the school program, for the benefit of that school, a class, club, department, employee or student shall be recorded in the school's Internal Funds...All of the aforementioned funds shall be administered and accounted for in accordance with existing laws, Florida State Board of Education Administrative Rules and Board Policies. Internal Accounts Funds shall not be used (1) For any purpose which represents an accommodation to...employees of the Board..."

Standard Practice Bulletin I-309 Vending Machines Section I.C. states "All vending machines must be operated by and monies deposited into a class, club or department's internal account."

Section II.B.4. states "Vending machine profits may be used for: a. General school benefit – Monies would be deposited in the General Fund. b. Faculty benefit – Vending machines must be located in the faculty planning or lounge areas of the school and should be for faculty and staff use only. Monies to be deposited in the faculty/sunshine account or in accordance with the current teachers' union contract. c. Class, Club or Department benefit - Decision as to what group benefits must be approved by the Principal. Monies to be deposited in applicable approved class, club or department internal account."

Standard Practice Bulletin I-311 Donations Section I.B.3 states "Vending Commissions are not donations and should be receipted in the appropriate internal account."

We recommend that the Principal:

1. Review School Board Policy 3411 and Standard Practice Bulletins I-309 and I-311 with staff and ensure that all monies which are received and deposited into the Internal accounts comply with rules and regulations regarding allowable receipts and purchases;
2. Ensure that vending machine monies are deposited in the approved class, club, or department or the General account;
3. Ensure any remaining vending machine funds are immediately transferred from the Faculty account to the appropriate class, club, department or the General account.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

COCONUT CREEK HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 11,205.94	\$ 42,072.60	\$ 48,186.31	\$ 5,092.23
Music	2,124.66	5,432.05	3,895.69	3,661.02
Classes	20,603.48	61,141.73	63,818.92	17,926.29
Clubs	24,345.86	116,676.57	106,306.14	34,716.29
Departments	1,696.98	2,442.43	820.41	3,319.00
Trusts	11,197.50	38,830.70	32,930.84	17,097.36
General	<u>25,777.79</u>	<u>32,353.99</u>	<u>23,259.62</u>	<u>34,872.16</u>
TOTALS	<u>\$ 96,952.21</u>	<u>\$ 298,950.07</u>	<u>\$ 172,911.79</u>	<u>\$ 116,684.35</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
SHARON K. AIRAGHI
OFFICE OF THE NORTH AREA SUPERINTENDENT

Telephone: (754) 321-3400

Facsimile: (754) 321-3485

October 7, 2010

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

FROM: Sharon K. Airaghi *SKA*
North Area Superintendent

SUBJECT: INTERNAL FUNDS AUDIT RESPONSE- Coconut
Creek High-2009

This Office has reviewed the audit response for Coconut Creek High School. We have implemented the following monitoring strategies to strengthen the Principal's business management competencies and prevent recurrence of audit exceptions.

- Quarterly reports will be submitted to the Area Director detailing the calculation of all vendor commissions and deposits made to Faculty Account. Failure to submit these quarterly reports will result in a written reprimand to the Principal.
- This process will be ongoing until the audit exceptions are completely addressed and cleared by the Office of the Chief Auditor.

The Principal understands the seriousness of this situation and will take deliberate steps to maintain exception-free internal accounts in the future. Please advise if additional information is required.

SKA:rs

cc: Jacquelyn Haywood, North Area Director
Ronald Smith, North Area Business Analyst
David Jones, Principal



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Coconut Creek High School
David K. Jones, Principal
1400 NW 44 Avenue
Coconut Creek, FL 33066
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Superintendent of Schools

October 6, 2010

TO: Sharon Airaghi, North Area Superintendent
FROM: ^{D.K.J.} David K. Jones, Principal
Coconut Creek High School

SUBJECT: Audit Report on Internal Accounts - Fiscal Year 2009 Response

I appreciate Ms. McKinley and Ms. Newton meeting with Ms. vanWle, bookkeeper, and myself on September 28 to discuss the audit findings and remedies.

We did abide by the Standard Practice Bulletin I-309 as all monies were placed in "a class, club or department's internal account." If there was an error it is that commissions received were placed in accounts and then moved to the appropriate account.

Below is an explanation of placement of donations from various vendors:
\$2,500.00 was a portion of the up-front money from Gilly Vending
\$3,250.00 was from multiple separate donations for food and incentives
\$1,700.00 was from a commission check dated February 26, 2009
\$ 500.00 was from a donation check dated July 30, 2008

Commission money from faculty vending machines is deposited into the faculty account and is spent with faculty approval for the faculty.

It should be noted that there are vending machines in teacher areas and they have an account and purchases for the faculty out of that account is allowable for faculty uses.

Remedy to Findings:

1. & 2. We will review School Board Policy 3411 and Standard Practice Bulletin I-309 and I-311 to assure commission money is deposited to the requisite account in which we will comply with the stated regulation.
3. All money in the faculty account is only from faculty vending machines.

CORAL SPRINGS HIGH SCHOOL
AUDIT REPORT
FOR THE 2008-2009 FISCAL YEAR
JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 7201 W. Sample Road, Coral Springs, Florida 33065
Principal: Susan Leon-Leigh
Bookkeeper: Marsha Young
Payroll Processor: Carla Thonsgard

CASH AND INVESTMENT SUMMARY

	<u>6/30/09</u>
Cash Account:	
Checking Account – Wachovia	\$ 131,503.96
Investment:	
Treasurer’s Pool Account	<u>180,000.00</u>
TOTAL	\$ <u>311,503.96</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Coral Springs High School for the 2008-09 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 2008-09 fiscal year, on the cash basis of accounting. However, as indicated by the findings, the school administration should emphasize adherence to the policies and procedures in the School Board's Policies and the Standard Practice Bulletins, which establishes the system of internal controls designed by the District administration.

AUDIT EXCEPTIONS

Late Remittances

During our analysis of cash receipting procedures, we noted several late remittances. Funds totaling \$5,208 were officially receipted three (3) to one hundred and forty five (145) days late.

School Board Policy 6301 Collection of Monies states "Deposits to a depository must be made daily when warranted. If collections do not warrant daily deposits, then collections must be deposited within three working days; the last working day of the week; and the last working day of the month."

Standard Practice Bulletin I-302 Cash Collections Section I.F. states "Collections of \$200 or more and initial receipting documents must be turned in to the bookkeeper the same day collected or within three (3) working days if less than \$200...Bookkeeper will count the money in the collector's presence and issue an official computerized receipt."

We recommend the Principal review School Board Policy 6301 and Standard Practice Bulletin I-302 with staff and ensure the timely remittance of collections to the bookkeeper.

Student Government – Principal's Discretionary Accounts

Our analysis of the Student Government account disclosed the following conditions:

1. A total of \$27,500 of vending commissions was posted to this account.
2. Disbursements totaling \$10,253.26 were made for the staff's benefit.
3. Two (2) of the above disbursements totaling \$2,663.75 were supported by minutes.

There is no Florida State Statute, School Board Policy, or Standard Practice Bulletin that allows budgeted funds or internal funds to be expended on meals or refreshments which are not attributable to travel or promotion and hospitality.

School Board Policy 2081 Contracts by Individual Schools states “Vendor’s Responsibility and Gifts—A vendor shall not offer nor shall a Board employee...either directly or indirectly accept a gratuity, gift, or favor that might influence professional judgment or violate any applicable State Statutes, State Board of Education Rules and Regulations, School Board policies or Administrative Procedures during the selection process...”

School Board Policy 3411 Internal Accounts states “All monies collected or disbursed by school personnel or by students within a school, in connection with the school program, for the benefit of that school, a class, club, department, employee or student shall be recorded in the school’s Internal Funds...All of the aforementioned funds shall be administered and accounted for in accordance with existing laws, Florida State Board of Education Administrative Rules and Board Policies. Internal Accounts Funds shall not be used (1) For any purpose which represents an accommodation to...employees of the Board...”

Standard Practice Bulletin I-309 Vending Machines/Snack Bars states “All vending machine operations and contracts must be approved by the Purchasing Department. All vending machines must be operated by and monies deposited into a class, club, or department’s internal account.” This would prohibit the school from signing any vendor-generated contract which was not approved by the Purchasing Department. It also precludes the deposit of profits from sales to students into the Faculty/Sunshine Account or into a Class or Club account to be used for employee accommodations.

Standard Practice Bulletin I-205 General states “General Fund monies are, according to the Financial and Program Cost Accounting and Reporting for Florida Schools Manual (*Redbook*), to be utilized for the general welfare of the student body....Revenues for the General Fund are usually obtained from:...Unearmarked donations...General fund monies must be expended for the general benefit of the student body.”

We recommend the Principal:

1. Review School Board Policies 2081, 3411 and Standard Practice Bulletins I-205 and I-309 to ensure compliance with the rules related to gifts.
2. Ensure that all monies which are received and deposited into the school’s Internal Accounts comply with rules and regulations regarding allowable purchases. The mere addition of class minutes from the Student Government sponsor does not relieve the school of complying with all rules and regulations governing purchases.

Internal Advance Account – Negative Balance

The internal advance account closed with a negative balance of (\$642.52) at year-end. A transfer from the General fund was made to clear a portion of the advances issued. It was not determinable whether all advances were returned. Each advance issued was not returned and cleared in its entirety. Apparently, the bookkeeper issued more than one advance to the same individual even though prior issuances were not returned in full. A proper analysis of this account was not possible. The Bookkeeper was unable to provide acceptable explanations for the entries posted.

Standard Practice Bulletin I-310 Internal Advances and Budget Petty Cash Section I.A.I. states "The Internal Advance account should reflect a zero balance at the end of the fiscal year.

Exceptions: a. Summer school internal advances. b. Vocational centers and Community school change funds. However: The exceptions listed above are required to be closed in August and reissued for the new school year."

Standard Practice Bulletin I-310 Internal Advances and Budget Petty Cash Section I.D. states "Transfers and adjustments are prohibited from being used to close or clear an internal advance".

We recommend the Principal review requirements of Standard Practice Bulletin I-310 with staff, and ensure that internal advances are cleared correctly.

Missing Pre-Numbered Receipting Documents

Based on a physical inventory of receipting documents, we noted two (2) receipt books were not provided for audit.

Standard Practice Bulletin I-318 Preservation and Disposal of Records states "Any and all information pertaining to the Internal Accounts for a school year must be retained in the bookkeeper's office for audit purposes. The records should be kept in a file cabinet (appropriately labeled) or boxed, sealed and labeled and stored in a secured area."

Standard Practice Bulletin I-404 Certificate of Loss Section I. states "When any person is unable to account for all items issued to them or explain monies receipted/collected but not deposited, a Certificate of Loss Form must be completed explaining the particulars of the loss."

We recommend that the Principal ensure:

- Pre-numbered accounting documents are retained and safeguarded for audit purposes.
- Certificates of Loss are completed for missing documents.
- Compliance with Standard Practice Bulletins I-318, and I-404.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

CORAL SPRINGS HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 0.00	\$ 75,871.58	\$ 69,221.34	\$ 6,650.24
Music	2,365.62	28,271.60	23,427.39	7,209.83
Classes	18,686.55	142,047.28	128,123.48	32,610.35
Clubs	185,557.26	365,178.21	423,220.62	127,514.85
Departments	9,320.08	25,440.81	25,495.66	9,265.23
Trust	70,118.74	215,959.30	195,936.15	90,141.89
General	7,960.22	49,365.58	19,214.23	38,111.57
TOTALS	<u>\$ 294,008.47</u>	<u>\$ 902,134.36</u>	<u>\$ 884,638.87</u>	<u>\$ 311,503.96</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
SHARON K. AIRAGHI
NORTH AREA SUPERINTENDENT

Telephone: (754) 321-3400

Facsimile: (754) 321-3485

October 28, 2010

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

FROM: Sharon K. Airaghi *SKA*
North Area Superintendent

SUBJECT: INTERNAL ACCOUNTS AUDIT RESPONSE
CORAL SPRINGS HIGH SCHOOL 2009

This Area Office has reviewed the audit report on internal accounts for Coral Springs High School. A review of previous audit findings reveals that an Internal Audit conducted in December 2008 for the 2006-07 and 2007-08 school years did result in an exception based on the amount of monies deposited from vending machine revenue and compliance of written agreements for booster club concessions. The school administration implemented remedies to those areas of concern.

The current audit resulted in exceptions based on the amount of expenditures related to staff benefit, late remittances, a negative balance in an internal account and security of pre-numbered receipted documents. It may be noted that due to the bookkeeping position being vacated at the end of the 2010 school year, a replacement bookkeeper was placed at Coral Springs High School in October 2010.

- The Principal has been directed to eliminate all expenditures related to staff benefit from any account which receives revenue from vending machines except in the case of the faculty account as specified in contract.
- The Assistant Principal responsible for student activities and the Bookkeeper will meet with all student activity sponsors and coaches to provide update training in protocols of internal accounting. A copy of the documents used for the training will be available for review at the bi-weekly meetings. Approval of student fundraisers/ use of internal accounts will be prohibited if the sponsor/ coach has not attended training. The training will include Standard Practice Bulletin information on remittances and receipting.
- The Bookkeeper has been directed to develop a process whereby daily remittance of all fundraisers is monitored. Any deviation from the approved remittance process shall be immediately reported to the Principal by the Bookkeeper.

Patrick Reilly, Chief Auditor
Office of the Chief Auditor
October 21, 2010
Page Two

- The newly assigned Bookkeeper has attended one full week of training delivered by the Internal Accounts Department prior to beginning work at CSHS. The Bookkeeper has been directed to confer with staff from Internal Accounts on a regular basis to continue ongoing hands-on training and support. In addition, the school office manager will provide ongoing support and monitoring of the day to day activities of the Bookkeeper.
- Bi-monthly meetings will be held with the Principal and Bookkeeper to monitor activities and bookkeeping practices. Minutes will be written and submitted to the Area Director. The Area Director shall attend one monitoring meeting per quarter. The following areas of concern will be included on the agenda:
 - Remittances
 - Expenditures/Revenue sources from any student account in benefit of staff/ faculty
 - Account Balances
 - Review of receipted documents

The Principal's annual evaluation shall note a second internal audit exception under Management of Processes. The Principal understands the seriousness of this situation and will take deliberate steps to maintain exception-free audits in the future. Please advise if additional information is needed.

SKA: mrj

cc: Anne Dilgen, North Area Director
Ronald Smith, North Area Business Analyst
Susan Leon-Leigh, Principal

**SCHOOL BOARD OF BROWARD COUNTY
CORAL SPRINGS HIGH SCHOOL
SUSAN LEON-LEIGH, PRINCIPAL**

Telephone (754)-322-0500

Facsimile: (754) 322-0630

October 20, 2010

TO: Sharon Airaghi, Superintendent
North Area

FROM: Susan Leon-Leigh, Principal 
Coral Springs High School

RE: Response to Audit Report on Internal Accounts
Fiscal Year 2009

The following items were found to be Audit Exceptions for the 2008 – 2009 fiscal year. Please find my response below along with the corrective action plan.

1. Late Remittances

Several late remittances were noted totaling \$5,208 received from three to one hundred forty-five days late. The Principal reviewed School Board Policy 6301 and Standard Practices Bulletin I-302 with staff and the Bookkeeper to ensure timely remittances.

The Principal documented in writing and held pre-disciplinary meetings with this Bookkeeper regarding concerns with late remittances, missing documents, failure to follow school and district policies and procedures regarding deadlines, office procedures, and standard bookkeeping practices. This Bookkeeper is now currently on a personal leave. The new Bookkeeper has attended all required trainings and has met with the Principal regarding the expectation to adhere to all policies and procedures regarding deadlines and standard bookkeeping practices. The Principal will continue to meet with the Bookkeeper on a regular basis regarding these procedures.

2. Student Government - Principal's Discretionary Accounts

\$27,500 of vending commissions was posted to the account. Disbursements totaling \$10,253.26 were made for the staff's benefit, representing 37.28% of the vending commissions. Two of the disbursements were supported by minutes.

The Principal reviewed the school's internal accounts and the Student Government Account and found the following:

A total of \$104,319.70 was credited (fundraisers, etc) to the account for the 2008-2009 school year. Please note the following:

Credits	\$104,319.70
07/08 Carryover	\$ 16,555
Vending	\$ 27,500

Total SGA Earnings \$60,264

A total of \$81,967.72 was debited (expenses) to the account for the 2008-2009 school year. Please note the following:

Debits	\$ 81,967.72
Staff	\$10,253.26

Total SGA Expenses \$71,714.46

Based on the account information, the Student Government Account would have ended the school year in a negative balance had we not deposited vending money in the account to cover the deficit. The vending commissions were utilized to cover SGA expenses. The amount spent on staff represents only 15% of the SGA expenditures, and was used to support the SGA Gold Medallion requirements for faculty/staff relations projects (not gifts). In order to qualify for the Gold Medallion Council Award (state and local level), Student Government must complete a required number of projects in ten different categories, one of which is faculty/staff relations. During the 2008-2009 school year, Student Government completed 22 school spirit projects, 23 community service projects, and 12 faculty/staff relations projects.

The auditor was provided the SGA minutes for all disbursements for this account.

3. Internal Advance Account – Negative Balance

The Internal Advance Account ended the year with a negative balance of \$642.52.

The Principal reviewed Standard Practice Bulletin 4-310 and no longer allows Internal Advances.

4. Missing Pre-Numbered Receipting Documents

Two receipt books were not provided for audit.

The Principal documented in writing and held pre-disciplinary meetings with this Bookkeeper regarding concerns with late remittances, missing documents, failure to follow school and district policies and procedures regarding deadlines, office procedures, and standard bookkeeping practices. This Bookkeeper is now currently on a personal leave. The new Bookkeeper has attended all required trainings and has met with the Principal regarding the expectation to adhere to all policies and procedures regarding deadlines and standard bookkeeping practices. The Principal will continue to meet with the Bookkeeper on a regular basis regarding these procedures.

LYONS CREEK MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2008-2009 FISCAL YEAR
JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 4333 Sol Press Blvd., Coconut Creek, Florida 33073

Principal: Washington Collado

Bookkeeper: Maureen Konikoff

Payroll Processor: Mary Alvarez

CASH AND INVESTMENT SUMMARY

	<u>6/30/09</u>
Cash Account:	
Checking Account – Mercantile	\$ 62,437.54
Investment:	
Treasurer’s Pool Account	<u>20,000.00</u>
TOTAL	\$ <u>82,437.54</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Lyons Creek Middle School for the 2008-09 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 2008-09 fiscal year, on the cash basis of accounting. However, as indicated by the findings, the school administration should emphasize adherence to the policies and procedures in the School Board's Policies and the Standard Practice Bulletins, which establishes the system of internal controls designed by the District administration.

AUDIT EXCEPTIONS

Late Remittances

During our review of cash collections, we noted staff held nineteen (19) remittances totaling \$7,645.02 ranging from two (2) to fourteen (14) days before remitting them to the bookkeeper.

School Board Policy 6301 Collection of Monies states "Deposits to a depository must be made daily when warranted. If collections do not warrant daily deposits, then collections must be deposited within three working days; the last working day of the week; and the last working day of the month."

Standard Practice Bulletin I-302 Cash Collections Section I.F. states "Collections of \$200 or more and initial receipting documents must be turned in to the bookkeeper the same day collected or within three (3) working days if less than \$200...Bookkeeper will count the money in the collector's presence and issue an official computerized receipt."

We recommend the Principal review School Board Policy 6301 and Standard Practice Bulletin I-302 with staff and ensure the timely remittance of collections to the bookkeeper.

Disbursements

During our review of disbursements, we noted:

- a. Proper internal advance procedures were not followed. One (1) disbursement/ internal advance in the amount of \$500 was made payable to the Assistant Principal on June 5, 2009 for the eighth grade recognition awards. The check was issued the day following the last day of school. Supporting invoices/ paid receipts showed purchases were made during the summer of 2009 and the beginning of the 2009/2010 school year; receipt dates were July 6, 2009, July 7, 2009 and September 12, 2009. The advance was issued at the close of FY 2009 for items purchased in FY 2010 and the incorrect internal funds account was used for the advance. According to the bookkeeper, the advance was issued to the Assistant Principal in an effort to

- clear the senior class account prior to year-end closing. Organization Minutes dated June 4, 2009 indicated the remaining funds should be used toward the Straight -A Café in the following year to purchase \$5 gift cards until depleted.
- b. The school's sales tax exemption was used for club-related purchases made by staff.
 - c. Three (3) Expense Reimbursement/ Payment Request forms did not include the signature of the sponsor/ teacher.
 - d. Two (2) disbursements were not supported with itemized invoices/ paid receipts from vendors that included the vendor's name, address and telephone number.
 - e. One (1) reimbursement request was not supported with proof of initial payment.
 - f. One (1) disbursement did not include the Expense Reimbursement/ Payment Request form.

Standard Practice Bulletin I-305 Disbursements Section III.A. states "All school disbursements require use of the computer generated check vouchers. The Expense/Reimbursement Payment Request Form must be attached to the check stub with one of the following documents attached as backup documentation:

- 1. Vendor Invoice (original, fax, or online invoice)
- 2. Original Receipt"

Note: Organization Minutes Form must be attached for any club expenses.

Section B. states "The following information is required for all disbursement authorization documents:

- 1. Name of Individual or company (payee) receiving payment/reimbursement.
- 2. Amount of reimbursement/payment.
- 3. Brief description of reason for reimbursement or payment request
- 4. Required signatures for authorization of documents:
 - a. Ownership accounts (Classes, Clubs, Departments) require:
 - 1) Applicable Teacher/Sponsor for the Class, Club, or Department
 - 2) Applicable Secretary/Treasurer for the Class or Club
 - b. Community School disbursements require the signature of the Director of the community school as the approving teacher/sponsor.
 - c. School Principal."

Section III.B.5. states "Additional documentation requirements:

- a. Original or paid receipt (original, fax or online invoice) or paid receipt.

Original invoice(s) or receipt(s) must include: (1) Vendor's name and address (2) Date of purchase (3) Itemization (listing of items, including quantities) and (4) Certification (signature of person) showing receipt of goods as ordered or in receipt of service(s) rendered."

Standard Practice Bulletin I-310 Internal Advances and Budget Petty Cash Section I. A. states "Single activity internal advances (issued as change funds for dances, variety shows, etc.) must be cleared within ten (10) days after the conclusion of the activity."

Section I. B.2. states "Establishing an internal advance: 1. Obtain a completed Expense Reimbursement/Payment Request Form stating the purpose of the internal advance request. 2. Issue a check to the requesting party (custodian of the advance) for the amount requested and approved from the Internal Advance Account. The payee's name must appear in the reference section. 3. The requesting party cashes the check. Note: This check is not to be cashed by the bookkeeper. 4. The requesting party (custodian) is responsible at all times for the dollar amount issued. The amount issued may consist of all cash; cash and receipts/invoices; or all receipts/invoices; however, if called in, the custodian must be able to account for the dollar amount requested."

Section I.C. states "Replenishing an Internal Advance: 1. The requestor/custodian of the internal advance should seek replenishment when the funds have been depleted. 2. The dollar amount to be replenished will be the amount of receipts/invoices reflecting the expenditure(s) and a completed Expense Reimbursement/Payment Request form. 3. The receipts/invoices used to document the expenditures(s) of the internal advance may be applicable to more than one internal account. 4. Upon receipt of the completed Expense Reimbursement/Payment Request form and applicable expenditure(s) documentation (receipts/invoices), the bookkeeper will issue a replenishment check from the applicable internal account(s). The payee's name must appear in the reference section. 5. The requestor/custodian is issued the replenishment check and cashes the check as described in B3 above."

Section D. states "Closing an Internal Advance: Transfers and adjustments are prohibited from being used to close or clear an internal advance. 1. The procedures detailed in C1 through C4 above will be followed. 2. The requestor/custodian endorses the check on the back in the presence of the bookkeeper and then returns the check and any unused cash to the bookkeeper. 3. The bookkeeper will issue the requestor/custodian an official receipt. The check/money will be receipted into the Internal Advance account. The internal advance custodian's name must appear in the reference section."

Standard Practice Bulletin I-313 Sales and Use Taxes states "All purchases made by a school which are deemed to be for educational purposes are tax exempt except Faculty-Sunshine Accounts."

We recommend the Principal review the requirements of Standard Practice Bulletins I-305, I-310 and I-313 with staff and ensure:

1. The proper internal advance procedures are followed when issuing an advance.
2. The school's sales tax exemption is only used for purchases made by the school.
3. Expense Reimbursement/ Payment Request forms include the signature of the sponsor/ teacher.
4. All disbursements are supported with itemized invoices/ paid receipts from vendors that included the vendor's name, address and telephone number.
5. All reimbursement requests are supported with proof of initial payment (i.e.-BC-40P receipt or Monies Collection Envelope).
6. All disbursements include the Expense Reimbursement/ Payment Request form.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

LYONS CREEK MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 5,141.44	\$ 1,680.00	\$ 3,156.98	\$ 3,664.46
Music	6,323.56	15,412.96	17,104.13	4,632.39
Classes	643.50	45,527.95	45,941.95	229.50
Clubs	29,942.56	59,244.28	58,728.27	30,458.57
Departments	3,850.13	11,819.72	9,772.88	5,896.97
Trusts	14,673.12	277,440.37	267,418.67	24,694.82
General	11,970.49	28,702.90	27,812.56	12,860.83
TOTALS	<u>\$ 72,544.80</u>	<u>\$ 439,828.18</u>	<u>\$ 429,935.44</u>	<u>\$ 82,437.54</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
SHARON K. AIRAGHI
OFFICE OF THE NORTH AREA SUPERINTENDENT

Telephone: (754) 321-3400

Facsimile: (754) 321-3485

October 19, 2010

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

FROM: Sharon K. Airaghi *SKA*
North Area Superintendent

SUBJECT: INTERNAL ACCOUNT AUDIT RESPONSES- LYONS CREEK MIDDLE
2009

This Office has reviewed the audit response for Lyons Creek Middle School. The Area Office has directed the principal to add the following components to the processes to strengthen the Principal's business management competencies and prevent recurrence of audit exceptions.

- The Principal, bookkeeper and the Administrator responsible for Internal Accounts shall review and adhere to the Standard Practices Bulletins and SBBC policies.
- The Principal shall conduct monthly meetings with the bookkeeper and the Administrator responsible for Internal Accounts to ensure the retention and compliance with all internal control policies and procedures.
- The Principal will submit a written synopsis of his monthly meetings to the Area Director detailing any issues arising and the corrective course of action taken.
- The Principal will schedule a meeting with the Area Director and Area Budget Analyst during 2010-11 to review the status of the corrective action plan and monitoring process for audit exception.

The Principal understands the seriousness of this situation and will take deliberate steps to maintain exception-free internal accounts in the future. If additional information is required, please advise.

SKA:mrj

cc: Jacquelyn Haywood, North Area Director
Ronald Smith, North Area Business Analyst
Washington Collado, Principal

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

WASHINGTON COLLA DO, Principal
Washington Middle School
1500 S.W. 15th Avenue
Fort Lauderdale, FL 33304
Phone: 754.371.2345
Fax: 754.371.2345

SCHOOL BOARD

BRUCE A. BROWN, Chairman
JAMES H. BROWN, Vice Chairman

Dr. Thomas J. ...
School Superintendent
1500 S.W. 15th Avenue
Fort Lauderdale, FL 33304
Phone: 754.371.2345

JAMES H. BROWN
Superintendent of Schools

October 22, 2010

To: Sharon Viraghi
North Area Superintendent

From: Washington Collado, Principal
Lyons Creek Middle

Subject: **RESPONSE TO AUDIT REPORT
INTERNAL ACCOUNTS 2009**

Pursuant to the school's 2008-09 Internal Accounts Audit recommendations and audit exceptions, we have taken the following measures to ensure improvement in our internal account process.

Monthly Meeting with Bookkeeper:

As part of the Principal's Monthly Report for the reconciliation of our Internal Account funds, the principal and the bookkeeper will conduct a full review of the monetary transactions leading to the month's report. This review will include discussion and monitoring to ensure that processes and procedures were followed regarding the following:

- All activities and money transactions involving money collection
- Proper documentation of activities, including signatures and deadlines
- Discussion of upcoming activities in order to prepare and advise the appropriate staff as to procedures
- SPB-1-310 – Internal advance procedures & budget petty cash – Reviewed bulletin and procedures will be followed for future internal advances

In order to improve our process for late remittance and other items cited we have taken a number of steps:

- Created and disseminated a Money Collecting Process Agreement to ensure that all necessary steps are taken for money collection and submittal
- Conducted a faculty meeting to reaffirm the Internal Account process and the management of collected funds.
- We are promoting the online payment option by announcing on our website, marquee, and weekly parents' call out. This will lessen money transactions and improve timeliness.
- Revised the field trip checklist to include new information, including the proper procedures and timelines to request checks and payment for the activities.
- Meeting with each staff member who is planning to conduct an activity and provide that staff member with the necessary checklist, documentations, and guidelines.

Sharon Airaghi
Pg. 2 of 2
October 22, 2010

Throughout the year, we will continually monitor these processes. We will consistently provide training and counseling as necessary to ensure that our staff follows process and improve all Internal Accounts activities. These steps will ensure that proper application of the Standard Practice Bulletin 1-313 and take the necessary steps toward correcting the observations listed on the Audit Report for the 2008-09 school year.

The list of recommendations is as follows:

- Ensure that teachers are not given tax exemptions in the future.
- Ensure that teachers or sponsors sign all reimbursement forms.
- Ensure that all invoices have name, address and phone # on them.
- Ensure that all reimbursements have proof of initial payment.
- Ensure that all reimbursements have a form attached.

Please find attached to this memo the revised checklists referred to:

- Money Collecting Process Agreement (Created Oct. 2010)
- Field Trip Information Sheet (Revised Oct. 2010)

NORTHEAST HIGH SCHOOL
AUDIT REPORT
FOR THE 2008-2009 FISCAL YEAR
JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 700 NE 56th Street, Oakland Park, Florida 33334

Principal: Jonathan Williams

Bookkeeper: Lara Andrews

Payroll Processor: Tami Flanders

CASH SUMMARY

6/30/09

Cash Account:

Checking Account -- Wachovia

\$ 120,309.93

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Northeast High School for the 2008-09 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 2008-09 fiscal year, on the cash basis of accounting. However, as indicated by the findings, the school administration should emphasize adherence to the policies and procedures in the School Board's Policies and the Standard Practice Bulletins, which establishes the system of internal controls designed by the District administration.

AUDIT EXCEPTIONS

Late Remittances

Our review of initial cash collections disclosed thirty seven (37) late remittances totaling \$7,266.80 which were remitted to the bookkeeper three (3) to thirty-nine (39) days late.

School Board Policy 6301 Collection of Monies states "Collections should be deposited with the Principal's office currently."

Standard Practice Bulletin I-101 General Policy Section V captioned "Responsibility Delegation – Bookkeeper" states:

The Principal will usually designate a person to be the bookkeeper. The bookkeeper will be delegated responsibility for:

- A. Verifying collections, officially receipting, reconciling and preparing bank deposits for funds being collected by staff and students.

Standard Practice Bulletin I-302 Cash Collections I.F. states "Collections of \$200 or more and initial receipting documents must be turned into the bookkeeper the same day collected or within three (3) working days if less than \$200."

We recommend the Principal:

1. Review School Board Policy 6301, Standard Practice Bulletins I-101 and I-302 with staff, and implement procedures to ensure funds are remitted and receipted in a timely manner.
2. Ensure the Bookkeeper receives additional training through the Internal Accounts Office.

Payroll Procedures

The following conditions were noted based on our review of two (2) AA and two (2) BB payroll periods:

AA Payroll Period Ending 1/17/2010

1. Temporary Duty Authorization forms were not completed and filed for 24 hours shown on the ZTIM report.
2. 52.5 hours of leave taken by staff were not approved by the Principal.
3. 361.5 hours of absences were not documented on Vacation/Leave Request forms, as required.
4. 7.5 hours of sick leave were not deducted from an employee's leave balance. A completed leave request is on file.

BB Payroll Period Ending 2/7/2010

Daily sign-in/sign-out sheets were not provided for custodial employees for audit.

AA Payroll Period Ending 5/23/10

1. 44.5 hours of leave taken by six (6) teachers were not documented on Vacation/Leave Request forms.
2. Another teacher who was on PLV did not have a completed form on file.

School Board Policy 4.3 Certificates of Absence for Leaves states "A Certificate of Absence Form or a Certificate of Absence- Personal Leave Form must be retained by the affected administrator at the work site with the attendance register for each permanent employee who has been absent from duty during the payroll period for any of the following reasons:

1. Illness- Personal or family
2. Death in family
3. Personal Reasons Leave (Use Sick Leave section of form, cross out Personal Illness, and type in Personal Reasons)
4. Disability Leave- A Workers' Compensation First Notice of Injury form must be filed with the Risk Management and Safety Department.
5. Disability Leave- Illness-in line-of duty (Use Accident-in-Line-of-duty section of form. Full explanation must be given. When Illness-in line-of duty shall be the result of working conditions and can be proved so without question, a first Notice of Injury form shall be filed with the Risk Management and Safety Department.
6. Official Leave (Military or Jury)
7. Vacation (Twelve (12) month personnel)
8. Personal Leave (Use Certificate of Absence-Personal Leave Form)
9. Each Certificate of Absence Form or Certificate of Absence-Personal Leave must be completed as follows:

- a. All dates and other information called for must be shown.
- b. The signature of employee must be affixed. If the signature shall not be obtainable on the day the attendance register is due, the unsigned form shall be released in duplicate with the attendance register, the original form to be returned for signature.
- c. A signature of approval (Principal or county level unit administrator) must be affixed.
- d. If substitutes are employed (applicable exclusively to instructional personnel or prolonged absences of non-instructional employees), names(s) of substitute(s) must be shown in the appropriate section.”

Standard Practice Bulletins and School Board Policies Time and Attendance Recordkeeping states “Certificate of Absence form must be completed, signed by the teacher and approved by the Principal no later than the end of the pay period. All information on this form must be completed prior to submission of Time Reports to the payroll department.”

Section A.2 states “There should be a permanent record of absent teachers, by pay period, preferably in a bound Attendance Book. The reason for the absence should be noted using the proper payroll earning type code, i.e., SCK, SLO, SPR, PLV, etc.”

Section G. states “All Time Reports must be approved by the Principal or Department Head prior to submitting them to the Payroll Department.”

Gross and Net Earnings Report (ZEARNINGS) - 8/30/05 states:

- “The Earnings Report should be run by the Payroll Contact 1-2 days prior to the pay date of each payroll area. Refer to the payroll schedules to determine when to run report.
- This report must be signed by the Administrator and becomes part of the audit trail.
- Note: Refer to the payroll schedules to determine when to run the report. The report gives each location a listing of payroll checks/advice prior to payday.”

The online ESS/HRMS/SAP PAF Processor Binder/Payroll Processor Work Instructions/SAP User Support Matrix – 5/10/06 states that ZTIM and ZEARNINGS reports are to be run timely, approved by the administrator and kept for audit.

The online ESS/HRMS/SAP Payroll Contact Binder /Payroll Work Instructions/Time Management Report (ZTIM) - 10/04/06 states:

- “This report should be run by payroll area and payroll period.
- Report should be signed by the Administrator and maintained at the location for audit documentation.
- If changes, additions, or deletions are made after the original report is signed, run a new report for the affected employee(s).”

We recommend the Principal review the online Gross and Net Earnings Report (ZEARNINGS)- 8/30/05, the ESS/HRMS/SAP Payroll Contact Binder/Payroll Work Instructions/Time Management Report (ZTIM) -10/04/06, the ESS/HRMS/SAP PAF Processor Binder/Payroll

Processor Work Instructions/SAP User Support Matrix – 5/10/06, School Board Policy 4.3 and Standard Practice Bulletins and School Board Policies with staff and ensure:

1. The Payroll Processor is given updated formal payroll training.
2. A third party compares the attendance sheets with the ZTIM reports and lists any errors to be corrected.
3. All errors are corrected.
4. A procedure is created for all personnel to complete their own Vacation/Leave Request forms and have them approved by the Principal prior to the end of the payroll period.
5. The Payroll Processor prints and reads the payroll bulletins which are sent out on a regular basis and keeps the bulletins in an organized notebook for referencing.
6. Hourly employees use a sign-in and sign-out sheet which is kept in a bound notebook.
7. Procedures are established so that an employee cannot be absent without reporting the absence.

Missing Receipting Documents

Four (4) monies collection envelopes were not provided for audit. Staff had not completed Certificates of Loss.

Standard Practice Bulletin I-302 Cash Collections Section II.B. states “The preservation and retention of initial receipting documents (BC-40Ps, monies collection envelopes, tickets, facility rental contracts, etc.) is extremely important.”

Section II.C states “Receipting Document Logs:

I. BC-40P Log

- a. The Distribution Log for Departmental Receipt Books, BC-40p (Exhibit 2) should always contain current information and be available for audit.
- b. The log requires the collector to sign out the book. (It is important the collector verify the log which reflects the return of the book to the bookkeeper's possession at the conclusion of the collections.)”

Standard Practice Bulletin I-404 Certificate of Loss Section I. states “When any person is unable to account for all items issued to them or explain monies receipted/collected but not deposited, a Certificate of Loss Form must be completed explaining the particulars of the loss. The Certificate of Loss is to be completed in incidences of theft or loss. In incidences of theft, a security report is also required and must be retained for audit.”

We recommend the Principal:

- Ensure compliance with Standard Practice Bulletins I-302, and I-404.
- Discuss procedures for securing receipting documents and collections with staff.

Pre-Numbered Tickets

The following conditions were noted based on an analysis performed of pre-numbered ticket sales and the school's inventory thereof:

1. A ticket report was not completed for sales of tickets totaling \$1,221.
2. A shortage of \$150.25 was noted on sales totaling \$1,925.
3. One roll containing 2,000 red \$2 tickets with potential revenue of \$4,000 was not accounted for on ticket reports. These tickets were signed out by the Athletic Director.
4. A variance of 40% was noted between the fiscal year 2009 physical inventory and actual tickets sold for the corresponding year. The 2,000 missing tickets in Item 3 were considered in the computation of the variance.
5. A total of 525 tickets signed out by the Athletic Director were not documented on ticket reports. These tickets were part of the sequences signed out for various events.

The analysis was extended to include fiscal year 2010 and based on the results thereof, the following was noted:

1. A variance of 21.38% was noted between the fiscal year 2010 physical inventory and actual tickets sold.
2. A total of 1,885 Blue Generic tickets signed out were not listed on ticket reports. When the Bookkeeper was informed, she proceeded to complete reports during the audit.
3. A total of 178 Pink tickets not listed on the school's inventory were sold as indicated on ticket reports reviewed.

School Board Policy 6301 Collection of Monies states "The principal, or individual whom he/she may designate, shall be fully responsible for maintaining an accurate record as to whom Department Receipt Books, reports of monies collected, ticket sales reports, cash reports, etc., are issued. These records shall be maintained for audit purposes."

Standard Practice Bulletin I-201 Athletics Section II.E.1. states "All unused prenumbered tickets will be recorded on an annual inventory of tickets at the end of the school year as required in A-425 Year End Requirements for Internal Accounts. These numbers will be verified by the Auditors in their annual audit."

Standard Practice Bulletin I-317 Year End Closing and Financial Reports Section II.D. states "Any and all schools who have pre-numbered tickets in their possession are required to maintain an inventory of the unsold ticket numbers. The Pre-Numbered Unused Ticket Inventory is an annual report of unused pre-numbered tickets. Due care should be taken when completing this inventory."

Standard Practice Bulletin I-302 Cash Collections Section II.B. states "The preservation and retention of initial receipting documents (BC40Ps, monies collection envelopes, tickets, facility rental contracts, etc.) is extremely important."

Section II.C.4 and C.5 states:

Perpetual Ticket Inventory Log:

This form is initiated upon receipt of ticket rolls from the vendor. This inventory sheet is applicable and auditable until all tickets have been sold and audited or the ticket inventory is destroyed. A separate form must be maintained for each ticket roll.

Inventory Record of Tickets:

Log of tickets sold during each fiscal year. This form is used to track each roll of pre-numbered tickets from the beginning of the roll to the end of the roll, date issued, to whom issued, numbers used and the event represented.

The SBBC Online Handbook for Principals "Procedures for Replacement of Lost and Stolen Equipment"(by the Risk Management Department) states "1. Immediately after a loss is discovered, Special Investigative Unit (SIU) and local police department must be notified...4. Cash will not be replaced unless the loss occurred from a locked safe....To Report a Loss: A police report that delineates each item stolen ...and the First Report of Incident form from SIU must be submitted within 30 days from the date of loss."

Standard Practice Bulletin I-302 Cash Collections Section II.B.3.states "A report of tickets sold must be completed at the end of the activity using the tickets. The ticket report must be completed whether monies are collected or not (i.e. Complimentary Tickets are issued)."

Standard Practice Bulletin I-403 Admission Tickets/Ticket Report Section II.B. states "Non-athletic tickets should never be used as a means of admission to an athletic event."
Section II.C. states "Complimentary tickets must be accounted for on a ticket report even though there are no monies associated with the complimentary tickets."

Section III. E. states "At the end of the school year, the Athletic Director's inventory sheets and unused ticket rolls will be turned in to the School Bookkeeper for safekeeping, verification, and inclusion in the year-end closing inventory. At year end, the School Bookkeeper will complete the Pre-Numbered Ticket Inventory as part of the year-end closing requirements."

Section IV. D. states "When the ticket sale is completed, the following information will be recorded on the Perpetual Ticket Inventory Sheet: 1. Last ticket number used (next available ticket on roll minus one)..."

Section V.C. states "The Report of Tickets Sold is to be completed by the sponsor/Athletic Director responsible for the activity. The School Bookkeeper must verify the following areas: 1. Quantity of tickets sold; 2. Ticket price; 3. Total Value of Tickets Sold; 4. Net Cash Receipts."

We recommend the Principal require a periodic inventory of all tickets to ensure proper accounting and security, in accordance with School Board Policy 6301 and Standard Practice Bulletin I-302, and I-317. We also recommend the completion of ticket reports for all events involving the collection of admission fees or use of tickets, as required by Standard Practice Bulletin I-403.

NORTHEAST HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 27,107.31	\$ 99,283.69	\$ 126,391.00	\$ 0.00
Music	2,779.30	7,250.28	6,742.12	3,287.46
Classes	13,808.22	86,186.43	86,068.69	13,925.96
Clubs	53,515.16	203,721.07	207,937.10	49,299.13
Departments	3,556.51	2,318.15	2,508.55	3,366.11
Trust	23,269.22	55,563.25	65,456.34	13,376.13
General	<u>61,164.62</u>	<u>29,686.12</u>	<u>53,795.60</u>	<u>37,055.14</u>
TOTALS	<u>\$ 185,200.34</u>	<u>\$ 484,008.99</u>	<u>\$ 548,899.40</u>	<u>\$ 120,309.93</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
SHARON K. AIRAGHI
OFFICE OF THE NORTH AREA SUPERINTENDENT

Telephone: (754) 321-3400

Facsimile: (754) 321-3485

October 6, 2010

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

FROM: Sharon K. Airaghi *SKA*
North Area Superintendent

SUBJECT: **INTERNAL FUNDS AUDIT RESPONSE- Northeast
High-2009**

This Office has reviewed the audit response for Northeast High School. We have implemented the following monitoring strategies to strengthen the Principal's business management competencies and prevent recurrence of audit exceptions. The Area Office has directed the principal to add the following components to the processes:

- Schedule the schools' bookkeeper to be re-trained with the Internal Accounts department. Once this training is completed the Principal and the bookkeeper will be required to submit written documentation to the Area Director as to the duties and an outline of corrective action plan to be implemented as a result of the training. Failure to attend the training by the bookkeeper and submission of the required documentation by the Principal will result in a written reprimand to the bookkeeper and the Principal.
- The Assistant Principal responsible for athletics along with the bookkeeper will conduct periodic reviews of the newly implemented ticket process and a written report must be submitted to the Principal. Failure to document and report discrepancies would result in a written reprimand to the bookkeeper, the Assistant Principal, and the Principal.

- The Principal and the bookkeeper will conduct audit reviews and the Principal must submit a quarterly written statement, including the date and time of the reviews, to the Area Director advising of the adherence for each audit exception received. Failure to review and or submit quarterly statements will result is a written reprimand to the Principal.
- The school's Office Manager and or Payroll/HR designee will be required to attend BRITE Payroll training sessions. Once training sessions are completed the Office Manager and or Payroll/HR designee, and the Principal will be required to submit written documentation to the Area Director as to the duties and outline of the necessary remedial action to be implemented as a direct result of the training. Failure to attend the training by the Office Manager and or Payroll/HR designee, and submission of the required documentation by the Principal will result is a written reprimand to the Principal.
- The Principal and the office manager and or designee will conduct reviews and the principal must submit a quarterly written statement, including the date and time of the review, to the Area Director advising of the adherence for each audit exception received. Failure to review and or submit quarterly statements will result is a written reprimand to the Principal.
- These processes will be ongoing until the audit exceptions are completely addressed and cleared by the Office of the Chief Auditor.

The Principal understands the seriousness of this situation and will take deliberate steps to maintain exception-free internal accounts in the future. Please advise if additional information is required.

SKA:rs

cc: David Hall, North Area Director
 Ronald Smith, North Area Business Analyst
 Jonathan E. Williams, Principal
 Nell Johnson, Director of Internal Accounts



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NORTHEAST HIGH SCHOOL
JONATHAN E. WILLIAMS, Principal
700 NE 56th Street
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JAMES F. NOTTER
Superintendent of Schools

October 4, 2010

TO: Sharon Airaghi, Superintendent
North Area

FROM: Jonathan E. Williams, Principal
Northeast High School

SUBJECT: RESPONSE TO AUDIT REPORT ON INTERNAL ACCOUNTS- FISCAL YEAR 2009

In response to the draft report on examination of internal accounts- fiscal year 2009 of Northeast High School, new procedures have been implemented for the management of internal accounts. When developing our new plan, the Standard Practice Bulletin was used to ensure all procedures and processes were appropriately implemented.

Below is a brief synopsis of our plan:

Late Remittances

The Bookkeeper will collect money from all sponsors on a daily basis. Sponsors who have not met the expectation of remitting funds daily will receive an email from the Bookkeeper; the Principal and Assistant Principal who oversees Internal Accounts and Student Activities will be carbon copied in all such email correspondence. The Assistant Principal will then take the necessary precautions to assure that all sponsors comply.

The Bookkeeper will use a white board in her office to track the documents (Monies Collection Envelopes and BC-40P receipt books) that are signed out by the sponsors of the fundraisers.

The Principal will meet with the Bookkeeper weekly to verify timely remittances.

The Assistant Principal will limit the number of fundraisers running concurrently.

The Bookkeeper has received additional training through the Internal Accounts Office. The Bookkeeper understands the seriousness of the audit exception and will take deliberate steps to maintain exception free internal accounts in the future.

Payroll Procedures

A new payroll contact has been designated and trained. This will assist in the processing and accuracy of pertinent payroll and human resources documents.

TDA's will be entered within one week prior to trainings. An Assistant Principal will decline any TDA's not submitted before this time period.

The Sub Central report will be reviewed daily in order to maintain Certificate of Absence for Instructional staff. Sign-in sheets will be maintained and reviewed daily for Para-Professional, clerical, and custodial staff. Employees who fail to sign in will have that time deducted.

Employee's time will be maintained daily in SAP, so all reports will match the paper trail.

As recommended, the Principal is currently reviewing and signing off on the Gross and Net Earnings Report (ZEARNINGS) and ZTIM. The Principal and payroll contact have designated Tuesdays the day after payroll is run to review reports. All documentation will be maintained in the payroll binder.

The Assistant Principal will review and compare attendance sheets with the ZTIM report listing any errors. If any errors are detected, the payroll contact will make the corrections and run another ZTIM in which the designated Assistant Principal will review and assure the error has been corrected. The payroll contact will review the ZTIM with the Principal who, after reviewing, will sign the report.

A procedure has been created for all personnel to complete their own Vacation Leave request forms and each employee will also be responsible for obtaining the Principal's signature prior to the payroll period ending. Staff will be notified via email as a reminder to complete their form, failure to do so will result in reprimand. The Principal will be copied on all emails.

Payroll contact will print all payroll bulletins and maintain them in a notebook as reference document.

All employees are required to call the Office Manager if they are unable to report to work prior to the start of their shift. All absences must be reported in a timely manner.

To meet the expectations of Standard Practice Bulletin I-302, and I-404, we will ensure the preservation and retention of initial receipting documents by setting specified times that each sponsor must remit said documentation to the Bookkeeper daily.

We will review the procedures for securing receipting documents and collections with staff. Any staff member that does not comply with the expectations set forth for securing such documentation and remitting said documentation to the Bookkeeper by the specified date and time will lose the privilege of conducting activities.

Missing Receipting Documents

A Certificate of Loss explaining the particulars of the loss will be completed when a person is unable to account for all items issued to them or explain monies receipted/collected but not deposited. In instances of theft, a security report will be retained for auditing purposes.

Each ticket seller is now assigned his or her own ticket box. This will assure that ticket roles are not spilt between sellers. All staff members who conduct ticket sales and or ticket collecting will be trained prior to working an event.

Only the District Approved Ticket Report will be used for events.

The new Assistant Athletic Director will be responsible for all monetary transactions. Tickets will be signed out for each game as needed. Following an event, the Assistant Athletic Director will meet with the Bookkeeper to reconcile ticket sales. The Bookkeeper will conduct a periodic inventory of all tickets.

The Assistant Principals who oversee Athletics and Student Activities will conduct periodical inventory of all tickets to ensure proper accounting and security.

C: David Hall, Director
North Area

WILLIAM DANDY MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2008-2009 FISCAL YEAR
JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 2400 NW 26th Street, Fort Lauderdale, Florida 33311
Principal: Casandra Robinson
Bookkeeper: Melody Russell
Payroll Processor: Bea Gaines

CASH AND INVESTMENT SUMMARY

	<u>6/30/09</u>
Cash Account:	
Checking Account – Wachovia	\$ 44,950.84
Investment:	
Treasurer's Pool Account	<u>10,000.00</u>
TOTAL	\$ <u>54,950.84</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of William Dandy Middle School for the 2008-09 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 2008-09 fiscal year, on the cash basis of accounting. However, as indicated by the findings, the school administration should emphasize adherence to the policies and procedures in the School Board's Policies and the Standard Practice Bulletins, which establishes the system of internal controls designed by the District administration.

AUDIT EXCEPTIONS

Payroll

During our review of payroll records from February 15, 2010 through April 4, 2010, we noted:

- a. ZTIM and ZEARNINGS Reports for both "AA" and "BB" payrolls were neither printed nor approved. Reports were printed and approved during the internal audit on May 27, 2010.
- b. Several Vacation/Leave Request forms were completed and approved after the period end date and check date.
- c. Payroll files were not adequately maintained.
- d. Vacation/Leave Request forms were either not completed or were unavailable for seventeen (17) employees.
- e. Two (2) employees were not charged a total of 15 hours of leave.
- f. Supporting documentation was unavailable for five (5) employees who worked additional hours in their secondary positions.
- g. TDA forms were either not completed or were unavailable for two (2) employees.
- h. The payroll earnings code documented on Vacation/ Leave Request Forms did not agree with the ZTIM Report for eight (8) employees.
- i. A comprehensive custodial timesheet was not maintained.

School Board Policy 4.3 Certificates of Absence for Leaves states "A Certificate of Absence Form or a Certificate of Absence- Personal Leave Form must be retained by the affected administrator at the work site with the attendance register for each permanent employee who has been absent from duty during the payroll period for any of the following reasons:

1. Illness- Personal or family
2. Death in family
3. Personal Reasons Leave (Use Sick Leave section of form, cross out Personal Illness, and type in Personal Reasons)
4. Disability Leave- A Workers' Compensation First Notice of Injury form must be filed with the Risk Management and Safety Department.
5. Disability Leave- Illness-in line-of duty (Use Accident-in-Line-of-duty section of form. Full explanation must be given. When Illness-in line-of duty shall be the result of

working conditions and can be proved so without question, a first Notice of Injury form shall be filed with the Risk Management and Safety Department.

6. Official Leave (Military or Jury)
7. Vacation (Twelve (12) month personnel)
8. Personal Leave (Use Certificate of Absence-Personal Leave Form)
9. Each Certificate of Absence Form or Certificate of Absence-Personal Leave must be completed as follows.
 - a. All dates and other information called for must be shown.
 - b. The signature of employee must be affixed. If the signature shall not be obtainable on the day the attendance register is due, the unsigned form shall be released in duplicate with the attendance register, the original form to be returned for signature.
 - c. A signature of approval (Principal or county level unit administrator) must be affixed.
 - d. If substitutes are employed (applicable exclusively to instructional personnel or prolonged absences of noninstructional employees), names(s) of substitute(s) must be shown in the appropriate section.”

School Board Policy 4300.01 Overtime Pay-Non-instructional Employees states “All overtime shall be approved in writing by the appropriate administrator prior to the employee working overtime.”

Standard Practice Bulletins and School Board Policies Time and Attendance Recordkeeping states “Certificate of Absence form must be completed, signed by the teacher and approved by the Principal no later than the end of the pay period. All information on this form must be completed prior to submission of Time Reports to the payroll department.”

Section A.3 states “The attendance book should be a summary of the activity for each pay period. Each entry in the attendance book must have the proper documents to support the entry, preferably filed by pay period.”

Section G. states “All Time Reports must be approved by the Principal or Department Head prior to submitting them to the Payroll Department.”

Standard Practice Bulletin I-315 Travel Section II.A. states “Temporary Duty Authorization (TDA-1) (Exhibit 1) Form must be completed and presented for approval to the appropriate administrator for all travel when an employee is on temporary duty. At the school level, the Principal’s signature is required for approval. All Principal’s travel is required to have Area Superintendent’s approval.”

The online ESS/HRMS/SAP Payroll Contact Binder /Payroll Work Instructions/Time Management Report (ZTIM) - 10/04/06 states:

- “This report should be run by payroll area and payroll period.
- Report should be signed by the Administrator and maintained at the location for audit documentation.

- If changes, additions, or deletions are made after the original report is signed, run a new report for the affected employee(s)."

Gross and Net Earnings Report (ZEARNINGS) - 8/30/05 states:

- "The Earnings Report should be run by the Payroll Contact 1-2 days prior to the pay date of each payroll area. Refer to the payroll schedules to determine when to run report.
- This report must be signed by the Administrator and becomes part of the audit trail.
- Note: Refer to the payroll schedules to determine when to run the report. The report gives each location a listing of payroll checks/advices prior to payday."

The online ESS/HRMS/SAP PAF Processor Binder/Payroll Processor Work Instructions/SAP User Support Matrix – 5/10/06 states that ZTIM and ZEARNINGS reports are to be run timely, approved by the administrator and kept for audit.

We recommend the Principal review the requirements of School Board Policy 4.3, Standard Practice Bulletins and School Board Policies and I-315, the online ESS/HRMS/SAP Payroll Contact Binder /Payroll Work Instructions/Time Management Report (ZTIM) - 10/04/06, the Gross and Net Earnings Report (ZEARNINGS) - 8/30/05 and the ESS/HRMS/SAP PAF Processor Binder/Payroll Processor Work Instructions/SAP User Support Matrix – 5/10/06 with staff and ensure:

1. Vacation/Leave Request Forms are completed and approved before the period end date.
2. All payroll reports (ZEARNINGS and ZTIM Reports) are printed and approved timely.
3. Payroll files are adequately maintained.
4. The two (2) employees are charged for the 15 hours of used leave.
5. Supporting documentation is available for additional hours worked by staff.
6. TDA forms are completed for all employees on TDA assignment.
7. The payroll earnings code documented on Vacation/Leave Request Forms agrees with the ZTIM Report.
8. A comprehensive custodial timesheet is maintained.

WILLIAM DANDY MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 8,422.50	\$ 10,244.65	\$ 14,738.45	\$ 3,928.70
Music	6,900.77	700.00	288.00	7,312.77
Classes	463.95	19,797.81	19,970.60	291.16
Clubs	10,455.33	10,526.89	9,899.52	11,082.70
Departments	9,327.38	4,892.88	1,907.29	12,312.97
Trust	11,487.58	38,913.55	38,648.38	11,752.75
General	<u>6,040.00</u>	<u>3,369.78</u>	<u>1,139.99</u>	<u>8,269.79</u>
TOTALS	<u>\$ 53,097.51</u>	<u>\$ 88,445.56</u>	<u>\$ 86,592.23</u>	<u>\$ 54,950.84</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

DESMOND K. BLACKBURN, Ph.D.
CENTRAL AREA SUPERINTENDENT

Telephone: 754-321-3800

Facsimile: 754-321-3886

October 25, 2010

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

FROM: Desmond K. Blackburn, Ph.D.
Central Area Superintendent

SUBJECT: WILLIAM DANDY MIDDLE SCHOOL
AUDIT REPORT ON INTERNAL ACCOUNTS
FISCAL YEAR 2010

I have reviewed the report on the examination of the Internal Accounts of William Dandy Middle School for fiscal year 2010 and the principal's attached response. The following procedures have been implemented which will verify that the steps outlined by the principal are effective in eliminating future audit exceptions:

- The Area Director will meet with the Principal and Payroll Processor to discuss/review all areas of concerns and determine a follow-up plan.
- The Principal was required to meet with the Payroll Processor to review all exception areas referenced in the Standard Practice Bulletins A-445 and I-315, School Board Policy 4300, and perform spot checks every week to ensure processes are in place. The principal will keep a log and record her findings during each spot check.
- The Principal will be required to meet with the Payroll Processor to ensure that established procedures are being followed on a monthly basis and provide a written report to Area Director.
- The Area Director will continue to monitor the Internal Accounts process and Payroll process during regular visits to William Dandy Middle to ensure processes are in place. Principal will review monitoring logs with the Area Director.
- The Principal will receive a comment on the 2010-2011 APPAS and a memo of concerns and expectations from the Area Director. Likewise, the principal will issue a letter of concern and expectation to her Payroll Processor and indicate this deficiency on her evaluation.

With the above-mentioned steps, we are assured that the internal accounting and record keeping will improve at William Dandy Middle School.

DKB/CBS/syd

Enclosures

cc: Carletha B. Shaw, Central Area Director
Casandra Robinson, Principal, William Dandy Middle
Jose Laverde, Ph.D., Business Analyst

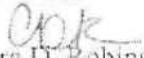
William Dandy Middle School

"Home of the Wildcats"

Mrs. Casandra D. Robinson, Principal

October 13, 2010

To: Dr. Desmond Blackburn, Area Superintendent
Central Area Office

From: 
Mrs. Casandra D. Robinson, Principal
William Dandy Middle School

**SUBJECT: AUDIT RESPONSE: INTERNAL ACCOUNTS
FISCAL YEAR 2009**

NOTE: I take full responsibility as the leader of William Dandy Middle School for the current payroll audit exception.

I will address each item separately as outlined in the final report; however, please be advised that these items fall into the same three categories: Vacation/Leave Request, Time Management and File Maintenance.

Initially, I will discuss with my Payroll Processor the importance of maintaining accurate and up-to-date files and insist that all Standard Practice Bulletins guidelines are followed completely and implemented with minimal error.

- a. Specifically, in accordance with the online ESS/HRMS/SAP Payroll Contact Binder/Payroll Work Instructions/Time Management Report (ZTIM), the Payroll Processor will be sure to run ZTIM and ZEarning reports and present to the Principal for approval in a timely manner, as advised by the auditor in the final report.
- b. In accordance with School Board Policy 4.3 and SPB A-445, Vacation/Leave Request forms will be completed and presented to the Principal for approval in a timely manner. Copies will be made and kept on file. Originals will be given to affected employees for signatures and filed upon return to Payroll Processor. If employee fails to return original, or declines to sign original, the approved copy will remain in payroll files and principal will be notified. Principal will call individual teachers to her office for signatures.
- c. Currently, the Payroll Processor maintains a master file of payroll documents to be filed at a later date; however, effective immediately, all payroll documents and reports will be filed by the closing of each pay period and monitored by the principal or designee.
- d. Because forms were located in the previous master file at the time of the audit, the forms were completed, however, not readily available. Therefore, implementing the new practice of

presenting required forms to the principal on a weekly basis will ensure forms are completed and available upon request. Additionally, copies will be made and kept on file. Originals will be given to affected employees. If employee fails to return original, or declines to sign original, the approved copy will remain in payroll files and principal will be notified. Principal will conference with staff regarding required signatures and ensure all SPB A-445 and I-135 procedures are followed. Quarterly reviews will be conducted by the Principal or Assistant Principal to verify proper follow-up of procedures is provided for items a, b, c, and d.

- e. In the past, the Payroll Processor ran Sub-Finder reports first thing in the morning, which meant teachers could enter information after this report was run. In the future, the Payroll Processor will make sure that this information is accurate by running a report in the PM to assure all absences are recorded on the Vacation/Leave Request forms. Also, Payroll Processor will run the ZTIM, ZEarning, supplements, overtime, and additional reports for every week for AA and BB beginning July 1, 2010. All reports will be verified and signed by principal. In addition, the Principal will ensure the Payroll processor will go back to July 1, 2010 and enter any missing payroll entries and run a ZTIM to show the changes. Finally, when the Sub-finder report shows a teacher is absent on a TDA, the Payroll Processor will make sure that there is a corresponding TDA on file before entering time.
- f. Currently, the payroll Processor maintains a master file of payroll documents to be filed at a later date. Effective immediately, all payroll documents will be filed at the closing of each pay period. Principal or designee will verify proper filing on a monthly basis.
- g. In the past, TDA's were filed separately. In the future, TDA's will be filed with other payroll documents and reports within the pay period. Principal or designee will verify proper filing on a monthly basis.
- h. The Payroll Processor enters time from the Sub-finder report. If there is no time available for the absence type entered by the teacher, a different type is entered into the system by the Payroll Processor. In the future, the Payroll Processor will make sure that the absence typed entered into the system and on the Vacation/Leave Request form agree. This information will be verified by principal or designee on a monthly basis.
- i. Because the Payroll Processor had never been told of, and was not aware of, the requirement of the maintenance of a custodial timesheet, custodians have been punching in and out on a time clock. The Payroll Processor will be attending the next payroll update on 11/18/10. In the future, custodians will continue to punch in and out and the applicable Facilities person will begin maintenance of the required custodial timesheet. A sample time-sheet was provided by the auditor. Procedure will be monitored by principal or designee on a monthly basis.

In addition to the corrective actions and measures noted above, the Payroll Processor will enroll in and complete professional staff development courses in the areas of payroll processing, time management and file maintenance on 11/18/10. Principal will ensure the Payroll Processor will attend the payroll illuminate sessions and read payroll newsletters to review payroll updates. Finally, the Payroll Processor will collaborate with Zone Processors as needed.

Finally, the Principal will review the requirements of School Board Policy 4.3, Standard Practice Bulletins A-445 and J-315, the online ESS/HRMS/SAP Payroll Contact Binder/Payroll Work Instructions/Time Management Report (ZTIM)-10/04/06, the Gross Net Earnings Report (ZEARNINGS) – 8/30/05 and the ESS/HRMS/SAP PAF Processor Binder/Payroll Processor Work Instructions/SAP User Support Matrix- 5/10/06 with staff and ensure:

1. Vacation Leave Request Forms are completed and approved before the period end date.
2. All payroll reports (ZEARNINGS and ZTIM Reports) are printed and approved timely.
3. Payroll files are adequately maintained.

FORT LAUDERDALE HIGH SCHOOL
AUDIT REPORT
FOR THE 2008-2009 FISCAL YEAR
JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 1600 NE 4th Avenue, Fort Lauderdale, Florida 33305

Principal: Dr. Marielena Wright

Bookkeeper: Denise Nonamaker

Payroll Processor: Judy Jay

CASH AND INVESTMENT SUMMARY

	<u>6/30/09</u>
Cash Account:	
Checking Account – SunTrust	\$ 42,308.04
Investment:	
Treasurer's Pool Account	<u>145,000.00</u>
TOTAL	\$ <u>187,308.04</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Fort Lauderdale High School for the 2008-09 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 2008-09 fiscal year, on the cash basis of accounting. However, as indicated by the findings, the school administration should emphasize adherence to the policies and procedures in the School Board's Policies and the Standard Practice Bulletins, which establishes the system of internal controls designed by the District administration.

AUDIT EXCEPTIONS

Vending Commissions

During our review of vending machines, we noted the vendor issued a \$12,000 check to the school. Of that amount, \$4,000 was transferred to the Faculty account to purchase t-shirts for staff. The faculty account also received monthly commission checks for this year.

There is no Florida State Statute, School Board policy, or Standard Practice Bulletin that allows budgeted funds or internal funds to be expended on meals or refreshments which are not attributable to travel or promotion and hospitality.

School Board Policy 3411 Internal Accounts states "All monies collected or disbursed by school personnel or by students within a school, in connection with the school program, for the benefit of that school, a class, club, department, employee or student shall be recorded in the school's Internal Funds...All of the aforementioned funds shall be administered and accounted for in accordance with existing laws, Florida State Board of Education Administrative Rules and Board Policies. Internal Accounts Funds shall not be used (1) For any purpose which represents an accommodation to...employees of the Board..."

Standard Practice Bulletin I-309 Vending Machines Section I.C. states "All vending machines must be operated by and monies deposited into a class, club or department's internal account."

Section II.B.4. states "Vending machine profits may be used for: a. General school Benefit – Monies would be deposited in the General Fund. b. Faculty benefit – Vending machines must be located in the faculty planning or lounge areas of the school and should be for faculty and staff use only. Monies to be deposited in the faculty/sunshine account or in accordance with the current teachers' union contract. c. Class, Club or Department benefit - Decision as to what group benefits must be approved by the Principal. Monies to be deposited in applicable approved class, club or department internal account."

We recommend that the Principal:

1. Review School Board Policy 3411 and Standard Practice Bulletin I-309 with staff and ensure that all monies which are received and deposited into the Internal accounts comply with rules and regulations regarding allowable receipts and purchases;
2. Ensure that vending machine monies are deposited in an approved class, club, or department or the General account;
3. Return the \$4,000 signing bonus from the Faculty account to students' class and club accounts.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

FORT LAUDERDALE HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008- 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 1,678.88	\$ 52,692.92	\$ 54,371.80	\$ (0.00)
Music	1,316.99	4,867.31	3,685.12	2,499.18
Classes	7,613.93	66,848.32	66,576.70	7,885.55
Clubs	47,463.51	148,950.86	159,815.13	36,599.24
Departments	5,078.12	3,865.81	5,275.62	3,668.31
Trust	66,908.55	113,282.92	116,538.02	63,653.45
General	<u>73,632.10</u>	<u>20,249.33</u>	<u>20,879.12</u>	<u>73,002.31</u>
TOTALS	<u>\$ 203,692.08</u>	<u>\$ 410,757.47</u>	<u>\$ 427,141.51</u>	<u>\$ 187,308.04</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
Office of the Central Area Superintendent
Desmond Blackburn, Ph.D.

754-321-3800

Facsimile: 754-321-3886

October 14, 2010

TO: Patrick Reilly, Chief Auditor
Office of Chief Auditor

FROM: Desmond K. Blackburn, Ph.D.
Central Area Superintendent

SUBJECT: **FORT LAUDERDALE HIGH SCHOOL
AUDIT REPORT ON INTERNAL ACCOUNTS
FISCAL YEAR 2008-2009**

The draft report on the Internal Accounts of Fort Lauderdale High School for the 2008-2009 Fiscal Year has been reviewed and the Principal's report is attached:

The corrective measures implemented to prevent future exceptions have been approved. Jan Beal, Central Area Director, and Dr. Jose Laverde, Central Area Business Analyst, held a formal conference with Dr. Marie Wright, Principal, Fort Lauderdale High School on October 8, 2010, to review all preventive initiatives. The Principal has been counseled on the serious nature of audit infractions.

In addition to the revised internal account-monitoring plan, the Area Office has implemented the steps listed below:

- The Area Director required the Principal to meet with the Bookkeeper, and Assistant Principal to discuss/review all areas of concern (completed 10/13/2010).
- The Principal was required to meet with the Bookkeeper and Assistant Principal to review all exception areas referenced in the Standard Practice Bulletin I-309 and School Board Policy 3411 (completed 10/13/2010) and to implement a plan for the donation that is in compliance with applicable policy/practices.
- The Area Director will continue to monitor the Internal Accounts process during regular visits to Fort Lauderdale High School.

DKB/JPB:jb
Attachment

C: Jan Beal, Central Area Director
Delores McKinley, Director Internal Accounts
Dr. Jose Laverde, Central Area Business Analyst
Dr. Marie Wright, Principal, Fort Lauderdale High School

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

FORT LAUDERDALE HIGH SCHOOL
Dr. Marie Wright, Principal
1600 N.E. 4th Avenue
Fort Lauderdale, FL 33305
Phone (754) 322-1100
FAX: (754) 322-1230

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JAMES F. NOTTER
Superintendent of Schools

October 11, 2010

TO: Dr. Desmond Blackburn
Central Area Superintendent

FROM: Dr. Marie Wright 
Principal, Fort Lauderdale HS

RE: AUDIT REPORT ON INTERNAL ACCOUNTS -- FISCAL YEAR 2008-2009

This memorandum serves as my response to the Audit report on Internal accounts for the 2008-2009 fiscal year that was discussed at Fort Lauderdale High School on September 22, 2010 and the formal report provided to me on September 27, 2010.

The audit exception report identifies that \$4,000 of a \$12,000 check issued by Family Vending, the vending company on contract at Fort Lauderdale High School, was deposited into the Faculty account to purchase t-shirts; and, that the faculty account also received commission checks for the year. Since the \$12,000 check from Family Vending was accompanied by a letter stipulating the "donor's" intent for the distribution of funds, the funds were deposited and expended in accordance with those intentions and the School Board policy and Standard Practice Bulletin for donations. After meeting with my area business analyst, I understand that the auditor did not agree with my interpretation of the \$12,000 check as a donation and I will take the following measures to ensure future compliance with School Board policy and Standard Practice Bulletins:

The audit report recommends the following actions by the principal:

- 1) Review of School Board Policy 3411 and Standard Practice Bulletin I-309 with staff and ensure that all monies which are received and deposited into the Internal Accounts comply with rules and regulations regarding allowable receipts and purchases.

School Board Policy 3411 and Standard Practice Bulletin I-309 have been reviewed by this principal. Additionally, the principal met with her Book Keeper on October 8, 2010

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and will meet with her Assistant Principals on October 13, 2010 to review these documents and the audit exception report.

- 1) Ensure that the vending machine monies are deposited in an approved class, club, or department or the General Account.

All monthly commission checks, based upon sales, have been deposited into approved class, club, or department accounts. Additional funding, provided by the vendor, which is agreed to in the contract, will be deposited in accordance with School Board Policy 3411 and Standard Practice Bulletin I-309 and not classified or handled in accordance with School Board policies and Standard Practice Bulletins for donations.

- 2) Return the \$4,000 signing bonus from the Faculty account to students' class and club accounts.

In the 2008-2009 school year, the faculty vending machines generated \$804.26 of monthly commissions while the student machines generated \$6,281.97 of monthly commission. This represents 11.35% and 88.65% of the commissions respectively. The \$12,000 check, classified by the auditing department as commission, should have been distributed in accordance with these percentages. This would yield \$1,362.00 to the Faculty account and \$10,638.00 to internal accounts, for the benefit of students. Therefore, the Book Keeper will generate the appropriate documents required to transfer \$2,638.00 from the Faculty account to the Athletics account.

Please advise if you require any additional information or documentation.

Cc: Mr. Jan Beal, Central Area Director
Dr. Jose Laverde, Central Area Budget Analyst
Ms. Denise Nonamaker, Fort Lauderdale HS Book Keeper
Ms. Valerie Ruwe, FLHS Faculty Council Co-Chair
Ms. Laura Felser, FLHS Faculty Council Co-Chair

INDIAN RIDGE MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2008-2009 FISCAL YEAR
JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 1355 Nob Hill Road, Davie, Florida 33324

Principal: Frank Zagari

Bookkeeper: Aracelia Briosi

Payroll Processor: Kathy Hofmann

CASH AND INVESTMENT SUMMARY

	<u>6/30/09</u>
Cash Account:	
Checking Account – Wachovia	\$ 83,170.93
Investment:	
Treasurer’s Pool Account	<u>20,000.00</u>
TOTAL	\$ <u>103,170.93</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Indian Ridge Middle School for the 2008-09 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 2008-09 fiscal year, on the cash basis of accounting. However, as indicated by the findings, the school administration should emphasize adherence to the policies and procedures in the School Board's Policies and the Standard Practice Bulletins, which establishes the system of internal controls designed by the District administration.

AUDIT EXCEPTIONS

1. Vending Agreement

During our review of the Faculty account, we noted the school received a check in the amount of \$10,000 as part of the vending agreement. The funds were receipted into the Faculty account. Approximately \$9,040.43 was spent on staff for various luncheons, breakfasts' and gift purchases.

Standard Practice Bulletin I-309 Vending Machines/Snack Bars Section I.C. states "All vending machines must be operated by and monies deposited into a class, club, or department's internal account." This would preclude the school from depositing profits from sales to students into the Faculty/Sunshine Account.

Section II. B.4b. states "Vending machine profits may be used for:.... Faculty benefit: Vending machines must be located in the faculty planning or lounge areas of the school and should be for faculty and staff use only. Monies to be deposited in the faculty/sunshine account or in accordance with the current teachers' union contract."

The Collective Bargaining Agreement between the School Board of Broward County, Florida, and the Broward Teachers Union (Teachers' Contract) Article 5 Section P. states "Vending Machines: Profits from vending machines in employee workrooms, lunchrooms or lounges shall be expended...as determined by the employees in the school and the principal at the worksite through the faculty council."

We recommend the Principal review the requirements of the Collective Bargaining Agreement between the School Board of Broward County, Florida, and the Broward Teachers Union (Teachers' Contract) and Standard Practice Bulletin I-309 with staff and ensure:

1. only vending machine commissions derived from machines in faculty lounges and teacher planning areas are receipted into the Faculty/Sunshine Account.
2. vending machine commissions derived from sales to students and lump sum payments from a vending contract are receipted into the General Fund account or other appropriate Class or Club accounts.

2. Disbursements

During our review of disbursements, we noted:

- a. Thirty-six (36) blank checks were pre-signed by the Principal and bookkeeper without listing a designated payee. In addition, two (2) checks contained the signature of the bookkeeper only.
- b. Sales tax was not paid for three (3) expenditures from the Faculty account.
- c. The check number imprinted for one (1) disbursement did not agree with the computer generated check number.
- d. Two (2) disbursements were made payable to individuals for services rendered.
- e. Four (4) disbursements from Club accounts (Cheerleading, SGA, & National Junior Honor Society) were not supported with respective Club Minutes.

Standard Practice Bulletin I-103 Computerized Internal Accounts User's Manual Section II.B.3 states "Do not respond to the questions 'Did the checks print properly?' until you have verified the system generated check number agrees with the pre-numbered check."

Standard Practice Bulletin I-203 Classes, Clubs and Departments Section I.B. states "Since all the accounts in these fund categories are maintained for the various groups and organizations as a co-owned account, documentation for all expenditures must include the authorization of a student treasurer and/or faculty sponsor and the completion of an Organization Minutes form."

Standard Practice Bulletin I-305 Disbursements Section II.F. states "Checks are to be signed and cosigned in ink, only after all supporting documents have been affixed and complete information (payee's name and amount) affixed. Rubber stamps or initials are not to be used."

Section II.G. states "Checks are never to be pre-signed by any authorized signer."

Section III.A. states "All school disbursements require use of the computer generated check vouchers. The Expense/Reimbursement Payment Request Form must be attached to the check stub with one of the following documents attached as backup documentation:

1. Vendor Invoice (original, fax, or online invoice)
2. Original Receipt

Note: Organization Minutes Form (Exhibit 2) must be attached for any club expenses."

Section III.B. states "The following information is required for all disbursement authorization documents:

1. Name of Individual or company (Payee) receiving payment/reimbursement
2. Amount of reimbursement/payment.
3. Brief description of reason for reimbursement or payment request
4. Required signatures for authorization of documents:

- a. Ownership accounts (Classes, Clubs, Departments) require:
 - 1) Applicable Teacher/Sponsor for the Class, Club, or Department
 - 2) Applicable Secretary/Treasurer for the Class or Club
- b. Community School disbursements require the signature of the Director of the community school as the approving teacher/sponsor.
- c. School Principal.”

Section III.B.5. states “Additional documentation requirements: Original (original, fax or online invoice) or paid receipt. Original invoice(s) or receipt(s) must include: (1) Vendor’s name and address (2) Date of purchase (3) Itemization (listing of items, including quantities) and (4) Certification (signature of person) showing receipt of goods as ordered or in receipt of service(s) rendered.”

Section IV.A.3. states “...Internal Funds cannot be used for the following:...No payments to individuals for services rendered even if the person requests or the invoice requires payments are made to an individual. All payments to individuals must be processed through the Budget. The only exceptions can be located in I-201.”

Standard Practice Bulletin I-313 Sales and Use Taxes states “All purchases made by a school which are deemed to be for educational purposes are tax exempt except Faculty-Sunshine Accounts.”

We recommend the Principal review the requirements of Standard Practice Bulletins I-103, I-203, I-305 and I-313 with staff and ensure:

1. Checks are never pre-signed by authorized signers.
2. Sales tax is paid on all Faculty expenditures.
3. Check numbers imprinted on checks are equivalent to computer generated check numbers.
4. Disbursements are made payable to a business and not to an individual for services rendered.
5. All disbursements from club accounts are supported with respective Club Minutes.

3. Payroll

During our sample review of payroll records from February 22, 2010 through April 4, 2010, we noted:

- a. Initial Time Management (ZTIM) and Gross and Net Earnings Reports (ZEARNINGS) for “BB” payroll were not printed and approved in a timely manner. An extended review disclosed the untimely printing and approval of ZTIM and ZEARNINGS Reports for both “AA” and “BB” payrolls; reports were either printed on or after the payroll check date. The Office Manager (payroll processor) stated that she was unable to print the required reports due to printer service issues. Documents show that a service call was

placed to the vendor on or around February 8, 2010. However, there was a two (2) month delay in reports being printed and approved, despite the fact that the printer was functioning properly at various periods within the two (2) month timeframe.

- b. Vacation/Leave Request Forms were not completed for twelve (12) employees.
- c. Obsolete Vacation/Leave Request Forms were used to document leave.
- d. The dates and/or total hours documented on two (2) Vacation/Leave Request Forms did not agree with the ZTIM Report.
- e. Temporary Duty Authorization (TDA) leave was not entered in SAP for one (1) teacher on TDA assignment.
- f. TDA forms were not completed for two (2) employees.
- g. Additional hours worked by two (2) custodial employees in their secondary positions were not approved by the Principal. In addition, total hours documented on the ZTIM Report did not agree with the Custodial Payroll Timesheet for one (1) employee.
- h. Neither the employee's time-in nor time-out was documented on the Custodial Payroll timesheet. In addition, the timesheet was not approved by the Principal/ Head Facilities Supervisor.

School Board Policy 4.3 Certificates of Absence for Leaves states "A Certificate of Absence Form or a Certificate of Absence- Personal Leave Form must be retained by the affected administrator at the work site with the attendance register for each permanent employee who has been absent from duty during the payroll period for any of the following reasons:

1. Illness- Personal or family
2. Death in family
3. Personal Reasons Leave (Use Sick Leave section of form, cross out Personal Illness, and type in Personal Reasons)
4. Disability Leave- A Workers' Compensation First Notice of Injury form must be filed with the Risk Management and Safety Department.
5. Disability Leave- Illness-in line-of duty (Use Accident-in-Line-of-duty section of form. Full explanation must be given. When Illness-in line-of duty shall be the result of working conditions and can be proved so without question, a first Notice of Injury form shall be filed with the Risk Management and Safety Department.
6. Official Leave (Military or Jury)
7. Vacation (Twelve (12) month personnel)
8. Personal Leave (Use Certificate of Absence-Personal Leave Form)
9. Each Certificate of Absence Form or Certificate of Absence-Personal Leave must be completed as follows:
 - a. All dates and other information called for must be shown.
 - b. The signature of employee must be affixed. If the signature shall not be obtainable on the day the attendance register is due, the unsigned form shall be released in duplicate with the attendance register, the original form to be returned for signature.
 - c. A signature of approval (Principal or county level unit administrator) must be affixed.

- d. If substitutes are employed (applicable exclusively to instructional personnel or prolonged absences of noninstructional employees), names(s) of substitute(s) must be shown in the appropriate section.”

School Board Policy 4300.1 Overtime Pay-Non-instructional Employees states “3. All overtime shall be approved in writing by the appropriate administrator prior to the employee working overtime.”

Standard Practice Bulletins and School Board Policies Time and Attendance Recordkeeping states “Certificate of Absence form must be completed, signed by the teacher and approved by the Principal no later than the end of the pay period. All information on this form must be completed prior to submission of Time Reports to the payroll department.”

Section C.I. states “The Head Facility Service Person at the School/Center must report hours worked by employees each pay period to the person who prepares the payroll time reports.”

Section G. states “All Time Reports must be approved by the Principal or Department Head prior to submitting them to the Payroll Department.”

Standard Practice Bulletin I-315 Travel Section II.A. states “Temporary Duty Authorization (TDA-1) (Exhibit 1)Form must be completed and presented for approval to the appropriate administrator for all travel when an employee is on temporary duty. At the school level, the Principal’s signature is required for approval. All Principal’s travel is required to have Area Superintendent’s approval.”

The online ESS/HRMS/SAP Payroll Contact Binder /Payroll Work Instructions/Time Management Report (ZTIM) - 10/04/06 states:

- “This report should be run by payroll area and payroll period.
- Report should be signed by the Administrator and maintained at the location for audit documentation.
- If changes, additions, or deletions are made after the original report is signed, run a new report for the affected employee(s).”

Gross and Net Earnings Report (ZEARNINGS) - 8/30/05 states:

- “The Earnings Report should be run by the Payroll Contact 1-2 days prior to the pay date of each payroll area. Refer to the payroll schedules to determine when to run report.
- This report must be signed by the Administrator and becomes part of the audit trail.
- Note: Refer to the payroll schedules to determine when to run the report. The report gives each location a listing of payroll checks/advice prior to payday.”

The online ESS/HRMS/SAP PAF Processor Binder/Payroll Processor Work Instructions/SAP User Support Matrix – 5/10/06 states that ZTIM and ZEARNINGS reports are to be run timely, approved by the administrator and kept for audit.

We recommend the Principal review School Board Policies 4.3 and 4300.1, Standard Practice Bulletins and School Board Policies, the online ESS/HRMS/SAP Payroll Contact Binder /Payroll Work Instructions/Time Management Report (ZTIM) - 10/04/06, Gross and Net Earnings Report (ZEARNINGS) - 8/30/05, and the online ESS/HRMS/SAP PAF Processor Binder/Payroll Processor Work Instructions/SAP User Support Matrix – 5/10/06 with staff and ensure:

1. ZTIM and ZEARNINGS Reports for “AA” and “BB” payrolls are printed and approved timely.
2. Vacation/Leave Request Forms are completed for all employees when on leave.
3. Dates and total hours documented on Vacation/Leave Request Forms agree with the ZTIM Report.
4. TDA forms are completed for all employees when on TDA assignment and entered in SAP/Brite payroll system, as required.
5. Additional hours worked by custodial staff is documented and approved by the Principal.
6. Additional hours documented on the Custodial Payroll Timesheet agree with the ZTIM Report.
7. The employee’s time-in and time-out are documented on the Custodial Payroll timesheet and approved by the Principal/ Head Facilities Supervisor.

INDIAN RIDGE MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 2,877.53	\$ 10,552.04	\$ 11,651.88	\$ 1,777.69
Music	3,299.84	15,042.00	16,471.09	1,870.75
Classes	7,891.48	124,342.25	125,622.20	6,611.53
Clubs	27,630.15	94,917.49	99,836.85	22,710.79
Departments	10,605.09	3,774.63	11,245.29	3,134.43
Trusts	45,682.94	136,924.57	160,895.81	21,711.70
General	<u>45,317.98</u>	<u>38,618.83</u>	<u>38,582.77</u>	<u>45,354.04</u>
TOTALS	<u>\$ 143,305.01</u>	<u>\$ 424,171.81</u>	<u>\$ 464,305.89</u>	<u>\$ 103,170.93</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
DR. DESMOND K. BLACKBURN
CENTRAL AREA SUPERINTENDENT

Telephone: (754) 321-3800

Facsimile: (754) 321-3886

September 30, 2010

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

FROM: Desmond K. Blackburn, PhD
Central Area Superintendent

SUBJECT: INTERNAL FUNDS AUDIT RESPONSE - INDIAN RIDGE MIDDLE

I have reviewed and concur with the attached response from the Principal of Indian Ridge Middle School. The Principal has taken full responsibility to ensure that future audit exceptions will not occur.

1. As a result of these audit findings, a thorough review was conducted on September 30, 2010. In attendance at this review were the Area Director, the Director of the Internal Audits Department, the Principal, and school personnel who are directly aligned with internal accounts and payroll.
2. I have assigned Central Area staff to closely monitor the school's corrective action plan and ensure that the auditor's recommendations are properly incorporated into the plan. I have directed the Area Director to ensure that the school implements procedures to correct deficiencies and maintain accurate internal accounts and payroll records as outlined by the Principal in the response.
3. The Area Director will review disbursement and payroll procedures to ensure that information and forms are processed correctly and in a timely manner.
4. The Principal will meet monthly with the school bookkeeper and assistant principal in charge of internal accounts to thoroughly review all components of the schools internal accounts.

The Principal understands the seriousness of this situation and will take deliberate steps to maintain exception-free internal audits in the future. If additional information is needed, please let me know.

DKB:bjw

cc: David Hall, North Area Director
Dr. Jose Laverde, Central Area Business Analyst
Frank Zagari, Principal, Indian Ridge Middle School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

INDIAN RIDGE MIDDLE SCHOOL
FRANK R. ZAGARI, Principal
1355 South Nob Hill Road
Davie, Florida 33324
754-323-3300 • Fax: 754-323-3385

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JAMES F. NOTIER
Superintendent of Schools

To: Dr. Desmond Blackburn, Area Superintendent

From: Frank R. Zagari, Principal *FRZ*
Indian Ridge Middle School

Subject: **INTERNAL AUDIT RESPONSE**

Having received the auditor's findings, the following outlines the corrective actions Indian Ridge Middle School is taking to correct identified violations.

Vending Agreement

Vending machine commissions derived from sales to students and lump sum payments from a vending contract will be receipted into the General Fund account or the appropriate class or club accounts. Profits from the vending machines in the faculty lounge will be deposited in the faculty/sunshine account. We have reviewed Standard Practice Bulletin I-309 and the Collective Bargaining Agreement between the School Board of Broward County, Florida and the Broward Teachers Union.

Disbursements

After reviewing Standard Practice Bulletins I-103, I-203, I-305, I-313 and Sections II.G, III.A, III.B, III.B.5 and IV.A.3 the following are the corrective actions Indian Ridge is taking to correct the exceptions.

The principal, the bookkeeper or the designated back-up co-signer, will sign only checks after the payee's name and the amount of the check has been imprinted on the checks.

Tax will be paid on all expenditures from the Faculty account except for items that are tax exempt. The Faculty Account Committee has been apprised of this procedure.

Extra attention will be given to verify that the check numbers agree with the computer generated check numbers when being processed.

Club minutes have been in the past attached to the Project Approval and Financial Report file. In addition to this practice they will also be attached to any disbursements from club expenditures.

PAYROLL

The audit of payroll identified areas that need to be adjusted. To address the identified areas of concern the following has been implemented.

Time Management Report (ZTIM) and Gross and Net Earnings Report (ZEARNINGS) will be run in a timely manner. If any changes or discrepancies should occur new reports will be run with a note of explanation attached.

School Board Policy 4.3, 4300.01, Standard Practice Bulletin A-445, Section C.1, Section G and Standard Practice Bulletin I-315 were reviewed pertaining to Certificate of Absences, Overtime Pay-Non-instructional Employees, Time and Attendance Recordkeeping and TDA's.

To stay within the guidelines of these practices, new procedure will be to keep a list of certificates of absences distributed. When signed certificates are returned, the names will be checked off as they are returned. Those not returned will be contacted by administration.

Teachers have been instructed that a TDA must be turned in, signed and approved by administration prior to attending any activity outside of school. Again, a written list of teachers absent because of a TDA will be kept with payroll documents.

Custodial staff working extra hours on a secondary position will have time reported on weekly time sheets. Time sheets will be signed as approved by both the Head Facilities Serviceperson and the Principal.

New time sheets have been developed to show time in and out for facilities service personnel as well as being initialed by employees. All time sheets are being approved by both head facilities and administration.

PINE RIDGE ALTERNATIVE CENTER
AUDIT REPORT
FOR THE 2008-09 FISCAL YEAR
JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 1251 SW 42nd Avenue, Fort Lauderdale, Florida 33317

Principal: Angela Brown

Bookkeeper: Linda Deck

Payroll Processor: Linda Deck

CASH SUMMARY

6/30/09

Cash Account:

Checking Account – Wachovia

\$ 1,909.66

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Pine Ridge Alternative Center for the 2008-09 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 2008-09 fiscal year, on the cash basis of accounting. However, as indicated by the findings, the school administration should emphasize adherence to the policies and procedures in the School Board's Policies and the Standard Practice Bulletins, which establishes the system of internal controls designed by the District administration.

AUDIT EXCEPTIONS

Late Remittances

During our review of cash collections, we noted staff held eight (8) remittances totaling \$377 for four (4) to twelve (12) days before remitting them to the bookkeeper.

School Board Policy 6301 Collection of Monies states "Deposits to a depository must be made daily when warranted. If collections do not warrant daily deposits, then collections must be deposited within three working days; the last working day of the week; and the last working day of the month."

Standard Practice Bulletin I-302 Cash Collections Section I.F. states "Collections of \$200 or more and initial receipting documents must be turned in to the bookkeeper the same day collected or within three (3) working days if less than \$200. Bookkeeper will count the money in the collector's presence and issue an official computerized receipt."

We recommend the Principal review School Board Policy 6301 and Standard Practice Bulletin I-302 with staff and ensure the timely remittance of collections to the bookkeeper.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

PINE RIDGE ALTERNATIVE CENTER

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 1,444.31	\$ 4,934.25	\$ 5,185.38	\$ 1,193.18
Clubs	0.82	3,860.32	3,569.50	291.64
Trusts	1,112.00	10,051.00	11,153.72	9.28
General	<u>839.98</u>	<u>58.60</u>	<u>483.02</u>	<u>415.56</u>
TOTALS	<u>\$ 3,397.11</u>	<u>\$ 18,904.17</u>	<u>\$ 20,391.62</u>	<u>\$ 1,909.66</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

DESMOND K. BLACKBURN, Ph.D.
CENTRAL AREA SUPERINTENDENT

Telephone: 754-321-3800

Facsimile: 754-321-3886

October 18, 2010

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

FROM: Desmond K. Blackburn, Ph.D.
Central Area Superintendent

**SUBJECT: AUDIT REPORT ON PINE RIDGE EDUCATION CENTER
INTERNAL ACCOUNTS FOR FISCAL YEAR 2009**

I have reviewed the report on the examination of the internal accounts of Pine Ridge Education Center for fiscal year 2009 and Mrs. Angela Brown's attached response. The following procedures have been implemented which will verify that the steps outlined by the principal are effective in eliminating future audit exceptions:

- The Area Director will meet with the Principal to review the effectiveness of the new procedures that are being implemented.
- The Area Director will review monitoring strategies to ensure compliance with School Board Policy 6301 and Standard Practice Bulletins I-302 in order to prevent the reoccurrence of future audit exceptions.

The principal understands the seriousness of this situation and will take deliberate steps to maintain exception-free internal accounts in the future.

DKB/CBS:syd

Enclosures

cc: Delores McKinley, Director, Office of the Chief Auditor
Carletha B. Shaw, Area Director
Angela Brown, Principal, Pine Ridge Education Center

School Board of Broward County, Florida
Pine Ridge Education Center

Angela Brown
Principal

754-321-7250 Office

754-321-7290 Fax

October 13, 2010

To: Dr. Desmond Blackburn, Area Superintendent
Central Area Office

From: Mrs. Angela Brown, Principal *AB*
Pine Ridge Education Center

SUBJECT: Audit Report on Internal Account Fiscal Year 2009

This memo is to address the Internal Accounts Audit Report for the fiscal year 2008/2009. The following is the corrective action established at Pine Ridge Education Center:

On August 18, 2010, the Principal held a meeting with the Bookkeeper reviewing School Board Policy 6301 Collections of Monies and Standard Practice Bulletin I-302 Cash Collections Section I.F. It was determined that monies will be receipted upon collection and bank deposited daily. Also, a procedure was developed to have a "backup" if the Bookkeeper is not on campus. The following action steps will be followed:

1. All staff members collecting money will be issued a BC-40 book or Monies Collection Envelope.
2. All staff members collecting money will turn in the money daily to the Bookkeeper by 3:00 pm, even if the receipts are less than \$200.00. The Bookkeeper will count the money in the presence of the staff member and issue an official receipt.
3. Any day the Bookkeeper receives funds; regardless of the amount collected, she will prepare and deliver a bank deposit. It has been worked into the Bookkeeper's schedule to leave thirty (30) minutes prior to the end of the work day to make a bank deposit. (Due to cost factors the school does not utilize armored car pick-up).
4. The Office Manager has been designated as a backup to the Bookkeeper in her absence.
5. A separate BC-40 Book will be issued to the designated backup person. In the absence of the Bookkeeper, staff members will turn in monies collected to the designated backup. She will follow standard receipting procedures and issue a BC-40 receipt in lieu of the Great Plains receipt. She will prepare and deliver a bank deposit for any funds collected that day. When the Bookkeeper returns, the designated backup will inform the Bookkeeper of any transactions. The Bookkeeper will issue a Great Plains receipt to the backup for any funds receipted in the BC-40 book. The designated backup will also give

the bank deposit receipts to the Bookkeeper so she can record those transactions into Great Plains.

6. The Principal would follow the standard receipting procedures in the absence of the Bookkeeper and designated backup person.
7. The Principal has reviewed School Board Policy 6301 Collections of Monies and Standard Practice Bulletin I-302 Cash Collections Section I.F. with staff members currently involved in money collections. The Staff Handbook has also been updated to reflect said changes. Also, the Principal will ensure that any staff member involved in the collection of monies in the future will be informed of these policies.

PIPER HIGH SCHOOL
AUDIT REPORT
FOR THE 2008-2009 FISCAL YEAR
JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 8000 NW 44th Street, Sunrise, Florida 33351

Principal: Enid Valdez

Bookkeeper: Marie Cacopando

Payroll Processor: Carla Costi

CASH AND INVESTMENT SUMMARY

	<u>6/30/09</u>
Cash Account:	
Checking Account – Wachovia	\$ 38,284.96
Investment:	
Treasurer's Pool Account	<u>130,000.00</u>
TOTAL	<u>\$ 168,284.96</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Piper High School for the 2008-09 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 2008-09 fiscal year, on the cash basis of accounting. However, as indicated by the findings, the school administration should emphasize adherence to the policies and procedures in the School Board's Policies and the Standard Practice Bulletins, which establishes the system of internal controls designed by the District administration.

AUDIT EXCEPTIONS

Late Deposits

During our review of FY 2009 deposits, we noted one (1) deposit totaling \$4,098 was held over the Winter Break (ten (10) business days). Of this amount, \$3,676 was cash.

School Board Policy 6301 – Collection of Monies states “Deposits to a depository must be made daily when warranted. If collections do not warrant daily deposits, then collections must be deposited within three working days; the last working day of the week; and the last working day of the month.”

Standard Practice Bulletin I-101 General Section IV.B. states “The Principal is responsible for making bank deposits if the armored car pickup service is not utilized. NOTE: The responsibility for transporting bank deposits may be delegated to another school employee.”

Standard Practice Bulletin I-303 Deposit of Collections Section I. A. states “Deposit collections within three working days of the first receipt or when \$200 or more is on hand; by the last working day of the week, last working day of the month, and before all holidays.”

We recommend the Principal or designee:

- a. Monitor the timeliness of deposits.
- b. Establish a collection schedule that facilitates making deposits timely.
- c. Advise the bookkeeper of the requirements of School Board Policy 6301 and Standard Practice Bulletins I-101 and I-303.

Cheerleading

During our review of student accounts we noted that in prior years there was activity in the cheerleading accounts. But, during fiscal year 2009 there were no funds in the account even though the students went to the State competition.

For the 2008-2009 school year the only activity in the cheerleading account was for a fundraiser and a payment from Risk Management for a loss from the theft. For the 2009-2010 school year, the only activity in the cheerleading account was the refund to parents for items they never received and the collection of some student obligations from prior years.

Through discussions with school personnel, we learned that the cheerleading activities were handled by the Piper High School Cheerleading Booster Club, an organization which filed with the State of Florida on June 22, 2009. The Registered Agent for the Booster Club is the cheerleading coach. She was paid through the School Board for Supplemental Only positions and received four (4) supplemental payments.

School Board Policy 3411 Internal Accounts states "All monies collected or disbursed by school personnel or by students within a school, in connection with the school program for the benefit of that school, class, club or department shall be recorded in the school's internal funds."

School Board Policy 6202 Athletic Physical Screening states, "It shall be the responsibility of each high school principal to have on file each school year a physical screening form completed by a physician, authorized to practice medicine under Chapter 458 or 459 or 460, Florida Statutes, for every high school athlete practicing interscholastic athletics."

Standard Practice Bulletin I-101 General states: "I. INTERNAL ACCOUNTS POLICIES
The responsibility for Internal Fund Accounts is established primarily by State Law. State Board Rules, Section 6A-1.85 specifies in part that: "Monies collected and expended within a school shall be used for financing the normal program of school activities not otherwise financed, for providing necessary and proper services and materials for school activities and for other purposes consistent with the school program as established and approved by the School Board. Such funds are the responsibility of the School Board and it shall be the duty of the School Board to see the funds are properly accounted for through use of generally recognized accounting procedures and effectively administered through adherence to internal funds policies of the School Board and applicable Florida Statutes. Funds collected in connection with summer program activities, funds derived from school athletic events, gifts, and contributions made by band or athletic booster clubs, civic organizations, commercial agencies, and all other similar monies, properties, or benefits shall be included in the Internal Funds of the school."

Student activities are recognized in State Regulations and School Board Policy as serving two general purposes:

- a. To promote the education, general welfare, and morale of students.
- b. To finance the legitimate extra curricular activities of the student body in order to augment, but not conflict with the educational program provided by the School Board.

II. ACCOUNTING FOR STUDENT ACTIVITIES

The School Board of Broward County has further clarified the definition of student activities that must be recorded in the internal funds, as included in all of those meeting any of the following conditions:

- A. All monies collected or disbursed by school personnel or by students within a school, in connection with the school program, for the benefit of that school, a class, club, department, employee or student shall be recorded in the school's internal funds.
- B. All funds generated from a profit making business operating on a continuous basis on school grounds, must be deposited in the school's internal accounts ...
- C. All activities which are considered "extra curricular" activities or an extension of the school program; all sports, performances by band, orchestra, chorus, drama and other curriculum groups that are trained and directed by regular School Board employees as a part of their employment assignment.

ALL BUSINESS TRANSACTIONS RELATED TO THESE EVENTS FOR WHICH STUDENTS MUST BE RELEASED FROM CLASS OR WHERE STUDENTS PERFORM AS A SCHOOL GROUP OR IN THE NAME OF THE SCHOOL ARE ALSO CONSIDERED SCHOOL ACTIVITIES.

III. INDEPENDENT SCHOOL RELATED ORGANIZATIONS

It is recognized there are some legitimate and worthwhile activities of independent but school related organizations; such as PTA groups, Athletic Booster clubs, Band Patron groups, etc. These groups will usually expect to handle their finances outside the school and make gifts or donations to the school as they elect. To avoid violations of School Board Policy, these activities should be conducted in such a way that they will be clearly distinguished from student activities as defined above. All public announcements, programs, tickets, etc., should clearly designate the activity as an activity of the outside organization. Examples of independent school related activities would include the following:

- A. Carnivals, barbecues, dinners and similar activities conducted entirely by the outside organization, and NOT involving any employee or students in the handling of funds.
- B. Benefit shows or performances by non-school groups, such as college or professional music groups, when arrangements are made by the outside organization and NOT involving any employee or students in the handling of funds.
- C. Merchandising services such as a school store handled by PTA, when the PTA orders all merchandise in its name, completely operates the sales activity, and handles the receipts and disbursements of money WITHOUT involving any School Board employees or students.
- D. Sales approved by the Principal of any other merchandise by outside parent or civic groups which do NOT involve School Board employees in the handling of the merchandise or sale proceeds.

IV. RESPONSIBILITY DELEGATION - PRINCIPAL

In School Board Policy 6301, Collection of Monies, the School Board of Broward County has charged the administration (District) with the responsibility for making rules, regulations and

procedures for the conduct, operation and maintenance of extra curricular accounts, and for the safeguarding, accounting and audit of all monies received and derived there from.

- A. The Principal of each school AND staff are further charged with the responsibility to perform the actual internal accounting functions in accordance with the specific procedures set forth in this manual.
- B. The Principal is responsible for making bank deposits if the armored car pickup service is not utilized. NOTE: The responsibility for transporting bank deposits may be delegated to another school employee.
- C. School Board Policy 6206 requires the approval of the Principal, for any solicitation of funds from the public including candy sales.
- D. The Principal of the school has the overall responsibility for investigating and approving organizations and their activities, the assignment of sponsors, and the control of all activities in accordance with State Regulations and School Board Policies 5201 and 6205.
- E. State Board Regulations require "A financial report be filed with the Principal's office at the close of each fundraising activity. (Financial Accounting for State and Local School Systems, Chapter 7, Section 3 2.3(e).)

VI. EMPLOYEE RESTRICTIONS

- A. The internal funds of the school MAY NOT, at any time, be used for any purpose which directly or indirectly represents an accommodation, loan, or credit to a School Board employee; or other persons (including students). This includes cashing personal checks, payment for services or merchandise, or selling postage stamps.
- B. Employees may not make purchases through the school in order to benefit from purchasing privileges such as discounts, sales tax exemption, etc. . .
- C. There shall be no loans to the Faculty/Sunshine Account from the General Fund or other internal accounts.
- D. School Board Policy 5201 requires each student club or activity to have a School Board employee sponsor the club or activity; who will be responsible for training and supervising the students in the conduct of their activity. This assignment will include the responsibility for making certain all monies related to the activity are properly controlled and deposited in the internal funds and all required records and reports are prepared.
- E. Non-School Board employees (i.e. police officers, volunteers, etc.) are NOT allowed to collect or handle money unless a Personnel Action Form (PAF) has been generated for that activity.

Standard Practice Bulletin I-201 Athletics states:

"I. GENERAL INFORMATION

- A. In accordance with Policies 6202, 6203 and 6204, the activities of the school athletic department are required to insure athletic participation equally to boys and girls.
- B. Each Principal shall appoint an Athletic Director who will be responsible for administering the interscholastic athletic program and shall be responsible for the management of all business transactions pertaining to the athletic program.
- C. All revenues of any sort MUST be deposited in the internal accounts of the school. The Athletic Director will be responsible for certain supplementary records and reports as outlined in this guide.

II. ATHLETIC DIRECTOR'S RESPONSIBILITIES - INTERNAL FUNDS

A. RECEIPTS

1. All monies from any source MUST be deposited with the school bookkeeper by the Athletic Director or designee immediately following the athletic event.
2. In presenting deposits to the bookkeeper, the Athletic Director or designee will support the deposits with a properly documented Report of Tickets Sold Form (Exhibit 1) and an Athletic Game Report.

B. DISBURSEMENT

1. The Athletic Director shall serve as the official purchasing agent for the Athletic Department.
 - a) The Athletic-Director is responsible for complying with budget restrictions and all School Board of Broward County Purchasing procedures and Policy 3320.
 - b) Requests for purchases originated by coaches MUST be presented to the Athletic Director for handling.
 - c) To initiate a disbursement, the Athletic Director will sign off on all vendor invoices to be paid through internal accounts.
2. The Athletic Director shall provide the bookkeeper with the proper paperwork (see section C below) required in order to issue payments for Athletic payrolls.

III. ASSOCIATION MEMBERSHIPS

- A. High School interscholastic competition is covered by the Florida High School Activities Association (FHSAA) and all Broward County high schools are expected to maintain membership in this association and comply with its rules and regulations.
- B. Membership dues in FHSAA may be paid from Internal Funds and charged to the Athletic Fund or General Fund.
- C. Personal memberships coaching fines or assessed fines, MUST NEVER be paid from Internal Funds. These memberships are the personal responsibility of the coaches."

IV. FLORIDA HIGH SCHOOL ATHLETIC ASSOCIATION (FHSAA) EVENTS

The Athletic Director designated as the home or host school will be responsible for securing the athletic admission tickets from the appropriate organization and complying with their reporting and accounting requests. Lists of such tickets (numbers) are to be retained for audit.

We recommend the Principal:

1. Review School Board Policies 3411 and 6202 and Standard Practice Bulletins I-101 and I-102 with staff.
2. Designate a school board employee to oversee all school related activities.
3. Ensure all funds connected with school related activities are receipted in and disbursed from the school's internal accounts.

Merchandising Activities

During our review of the school's merchandising activities we noted:

- a) Collections for one candy sale were made in a lump sum, instead of writing each student's name on the monies collection envelope.
- b) The senior class had two (2) candy sale fundraisers with outstanding obligations from these two (2) sales of \$4,316. After \$2,912 was collected, the senior obligations, at year end, still totaled \$1,404.
- c) The number of items purchased for the senior class candy sale was incorrect on the Purchasing Summary section on the fundraising financial report.
- d) The ROTC candy sale had obligations of \$2,011.60. Of this amount, only \$572 was collected during the 2009 Fiscal Year. This left \$1,439.60 in outstanding obligations.
- e) The Band purchased 4,096 candy bars. Although sales were enough to cover the bill, there were \$194 in student obligations without a list attached.
- f) The Athletic Director discarded 139 left over parking decals from 2008-2009. Therefore, there was no way to verify if the sales were correct.

Standard Practice Bulletin I-302 Cash Collections Section II.B.2a. states "Pre-numbered collection envelope should be used when multiple collections will be made with an individual collection amount of less than \$15.00 per person or collection is package pictures, bookstore/book fair sales or fundraising."

Section II.B.2c. states "Monies Collection Envelopes are to be completed in ink. The following information is to be completed:

- Purpose/Activity of the collection
- Fund Account and Account Number
- Teacher/Sponsor's Name
- Date(s) of collections
- Full name of payer
- Amount Collected
- Teacher/Sponsor Signature (after all collections have been made.)"

Standard Practice Bulletin I-402 Fundraising Activities Section II. states "All sales of merchandise should be approved only on the condition that an accurate and complete accounting be made for all units purchased."

Section III. A. states "It is very important all units (items) must be accounted for either as sales, returns, damaged, remaining in inventory, etc. The Fundraising Financial Report is to be signed by the Sponsor, and returned to the School Bookkeeper (who will verify the figures with the organization's fund account information)...Any items not returned by student salesperson must be documented with a student obligation. Any items given away must be documented with a signed sheet indicating description of item, printed name of receiver and signature of receiver."

Standard Practice Bulletin I-316 Student Obligations Section I.B states:

- B. Student obligations should be discouraged and addressed annually, so that loss to the school district is minimized. While grades and promotion cannot be used as a deterrent (according to Florida law), student participation in extra-curricular activities shall be suspended until obligations are paid in full or established installments are current.
- C. Extra-curricular activities shall be defined as those activities which are sponsored or approved by the school and conducted wholly or partly outside the regular school day. The School Board of Broward County Code of Conduct book states that school social activities are also considered extra-curricular activities. Section V, Rule of the Code states in part; "Many students take part in school related activities that are extracurricular (take place outside of school hours), social and interscholastic (engage in competition with other schools).
(e.g. National Honor Society, Key Club)
Extra-curricular activities include:
 - Participation on interscholastic athletic teams
 - Participation in school or district sponsored clubs or organizations
 - Participation in student government
 - Participation in after school social activities including grad nights, proms and dances
 - Participation in county, state and national academic competitions
 - Participation in performance group activities such as band, chorus, debate and drama that are not a requirement for course credit

We recommend the Principal review Standard Practice Bulletins I-302, I-316 and I-402 with staff, and ensure:

1. Sponsors use the Monies Collection Envelopes when collecting funds from students and list collections by the individual student's name.
2. Merchandising activities are summarized on accurately completed financial reports with amounts verified to fund account information and vendor invoices.
3. Sponsors of fundraising activities discontinue the practice of creating large obligation lists.
4. A procedure is initiated to deny participation in clubs and activities until obligations are paid.
5. Fundraising activities are completed prior to year end and candy and other food items are not kept over the summer break.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

PIPER HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 7,535.68	\$ 57,912.89	\$ 59,722.23	\$ 5,726.34
Music	11,535.47	47,421.79	51,604.64	7,352.62
Classes	9,599.18	88,993.33	94,756.64	3,835.87
Clubs	59,629.69	152,428.87	128,983.14	83,075.42
Departments	11,555.72	23,941.88	24,699.87	10,797.73
Trust	42,962.99	56,737.84	76,247.79	23,453.04
General	<u>17,662.09</u>	<u>35,245.28</u>	<u>18,863.43</u>	<u>34,043.94</u>
TOTALS	<u>\$ 160,480.82</u>	<u>\$ 462,681.88</u>	<u>\$ 454,877.74</u>	<u>\$ 168,284.96</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
Office of the Central Area Superintendent
Desmond K. Blackburn, Ph.D.

Telephone: (754) 321-3800

Facsimile: (754) 321-3886

November 16, 2010

TO: Patrick Reilly, Chief Auditor
Office of Chief Auditor

FROM: Desmond K. Blackburn, Ph.D.
Central Area Superintendent

SUBJECT: PIPER HIGH SCHOOL - INTERNAL ACCOUNTS AUDIT FISCAL YEAR 2008/2009

The Central Area Office has reviewed the audit response from **Piper High School**. Mrs. Valdez understands the seriousness of this matter and I concur with her corrective action plan. The Area Director will ensure that the principal has communicated the responsibilities of the Internal Accounts process to designated staff and that they understand their specific roles and responsibilities in the implementation process.

The Principal has inserviced all staff on October 27, 2010 on School Board Policies 3411, 6301, Standard Practice Bulletins I-303, I-101, I-404 and I-316. The bookkeeper and administrator will meet weekly to ensure that all deposits are conducted in a timely manner. It was also noted that if a Dunbar collection is missed, a designee would be sent to deposit monies and or accompany the bookkeeper on the deposit run. Effective immediately, if the bookkeeper is unavailable to make deposits, another school employee, either the Assistant Principal or the Office Manager, will be delegated to be responsible for deposits.

In addition, all booster organizations affiliated with Piper High School have been notified in writing that all funds raised through various fundraising activities must be recorded and deposited in the school's internal account. All fundraising activities are now being monitored by the Principal. The Principal will also meet on a weekly basis with the Bookkeeper and the Assistant Principal in charge of Activities for updates on fundraising.

The principal reviewed Standard Practice Bulletin I-302 with the Band Director and issued a "no future approvals until review" for each fundraiser to ensure accuracy. The Band Director, Senior Class Sponsor, and JROTC Instructor were trained on two separate occasions on these policies. Also, Standard Practice Bulletins I-402 and I-316 were addressed with the new Athletic Director and the Principal will hold meetings with all coaches and sponsors on a quarterly basis to review their reports and activities.

The Area Director has directed that the Principal and Assistant Principal do random checks that may identify weaknesses. The Area Director will also schedule periodic visits for the purpose of monitoring internal audit practices at the school to avoid future audit exceptions of any kind.

DB/CH:ajc

cc: Cynthia Hanna, Central Area Director
Dr. Jose D. Laverde, Central Area Business Analyst
Delores McKinley, Director, Internal Accounts
Enid Valdez, Principal

Enclosure



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

PIPER HIGH SCHOOL
ENID VALDEZ, Principal
8000 NW 44th Street
Sunrise, FL 33351-5699
754-322-1700
FAX: 754-322-1705

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JAMES F. NOTTER
Superintendent of Schools

November 9, 2010

TO: Dr. Desmond Blackburn
Central Area Superintendent

FROM: Enid Valdez *Enid*
Principal

SUBJECT: **Internal Audit Response - Fiscal Years 2008/2009 Piper H.S.**

The Principal agrees with the auditor's findings. Pursuant to the audit of Piper High School's internal accounts for the fiscal years 2008-2009, the following response is being forwarded to you in order to improve procedures at our school.

Late Deposits

During our review of FY 2009 deposits, we noted one (1) deposit totaling \$4,098 was held over the Winter Break (ten (10) business days). Of this amount, \$3,676 was cash.

Recommendation to correct the exception:

1. The Principal will be responsible for inservicing the bookkeeper and administrator in charge of activities on November 29, 2010 on School Board Policy 6301-Collection of Monies and Standard Practice Bulletin I-303 Deposit of Collections.
2. In order to avoid future exceptions, the bookkeeper has been instructed to inform the administrator in charge of activities if Dunbar did not pick up the money. The Principal will be responsible to send an employee to deposit the funds in accordance with Standard Practice Bulletin I-101 General Section IV.B.

Cheerleading

The Piper High School cheerleading activities were handled by the Piper High School Cheerleading Booster Club, an organization which filed with the State of Florida on June 22, 2009. The auditor recommended that all monies involving an employee will be submitted through internal accounts.

The Principal has trained the bookkeeper and administrator over activities on School Board Policy 3411-Internal Accounts, 6301-Collection of Monies, Standard Practice Bulletins I-101-Internal Accounts Policies, I-201-Athletics, and I-311-Donations.

Recommendations to correct the exception:

1. Effective immediately, all booster organizations affiliated with Piper High School have been notified in writing by the Principal that all funds raised must be recorded and deposited in the school's internal account in accordance with School Board Policy 3411-Internal Accounts.
2. The Principal will meet weekly with the bookkeeper and the Assistant Principal in charge of activities for updates on all fundraising and any other cheerleading activities.

Merchandising Activities

The Principal and Assistant Principal in charge of activities will inservice all personnel related to Senior Class Sponsor, ROTC, Band Director and bookkeeper on Standard Practice Bulletins I-302-Cash Collections, I-316-Student Obligations, and I-402-Fundraising Activities on December 9, 2010.

Recommendations to correct the exception:

1. The Principal trained the Band Director on Standard Practice Bulletins I-302-Cash Collections and I-316-Student Obligations. The Principal met with the Band Director in June 2010 and implemented an immediate review process for each fundraiser and financial report in order to ensure accuracy. The Band Director was trained on Standard Practice Bulletins on September 8, and October 29, 2010 by the administrator over activities. The bookkeeper will follow up with a log on all student obligations receipted and present it to the principal in order to review financial balances.
2. The Principal has trained the Senior Class Sponsor on Standard Practice Bulletin I-302-Cash Collections. The senior class had two candy sale fundraisers with outstanding obligations from these two sales of \$4,316. After \$2,912 was collected, the senior obligations at year end was \$1,404. The Principal will meet weekly with the bookkeeper to review student obligation receipts in order to prevent future financial losses. The Principal has arranged training for the bookkeeper with the internal accounts office.
3. The Principal has trained the ROTC sponsor on Standard Practice Bulletin I-302-Cash Collections, and Standard Practice Bulletin I-316-Student Obligations. The Principal will meet weekly with the bookkeeper to review student obligation receipts in order to prevent future financial losses. Internal account training has been scheduled for sponsors/coaches and will be completed on December 9, 2010 by the administrator over activities.
4. The Principal trained the Athletic Director on Standard Practice Bulletin I-402-Fundraising Activities and Standard Practice Bulletin I-316-Student Obligations. An internal accounts procedure has been implemented to discard unsold parking decals. In addition, a recording log has been established between the Athletic Director and bookkeeper as well as weekly meetings to verify accuracy of parking decal sales and receipts.

5. The Principal will be meeting with all coaches and sponsors on a quarterly basis to review their reports/activities, to go over School Board Policies 3411-Internal Accounts, 6301-Collection of Monies, Standard Practice Bulletin I-316-Student Obligation, and Standard Practice Bulletin I-302-Cash Collections.
6. The Principal has instituted school policy that no activity will be authorized until the sponsor's last activity has been financially closed out and/or financial reports submitted in accordance to Standard Practice Bulletin I-402-Fundraising Activities.

WILTON MANORS ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2008-2009 FISCAL YEAR
JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 2401 NE 3rd Avenue, Fort Lauderdale, Florida 33305

Principal: Mark Narkier

Bookkeeper: Nancy Graves

Payroll Processor: Kathleen Lindow

CASH SUMMARY

6/30/09

Cash Account:

Checking Account – Sun Trust Bank

\$ 9,296.03

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Wilton Manors Elementary School for the 2008-09 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 2008-09 fiscal year, on the cash basis of accounting. However, as indicated by the findings, the school administration should emphasize adherence to the policies and procedures in the School Board's Policies and the Standard Practice Bulletins, which establishes the system of internal controls designed by the District administration.

AUDIT EXCEPTIONS

1. Late Remittances

During our review of cash collections, we noted staff held thirty (30) remittances totaling \$4,250.95 ranging from two (2) to nine (9) days before remitting them to the bookkeeper.

School Board Policy 6301 Collection of Monies states "Deposits to a depository must be made daily when warranted. If collections do not warrant daily deposits, then collections must be deposited within three working days; the last working day of the week; and the last working day of the month."

Standard Practice Bulletin I-302 Cash Collections Section I.F. states "Collections of \$200 or more and initial receipting documents must be turned in to the bookkeeper the same day collected or within three (3) working days if less than \$200. Bookkeeper will count the money in the collector's presence and issue an official computerized receipt."

We recommend the Principal review School Board Policy 6301 and Standard Practice Bulletin I-302 with staff and ensure the timely remittance of collections to the bookkeeper.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

WILTON MANORS ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 0.00	\$ 9,828.80	\$ 9,828.80	\$ 0.00
Clubs	796.42	3,189.69	3,711.68	274.43
Departments	493.13	1,783.64	726.64	1,550.13
Trust	6,300.83	69,464.14	70,432.63	5,332.34
General	<u>3,551.41</u>	<u>1,800.11</u>	<u>3,212.39</u>	<u>2,139.13</u>
TOTALS	<u>\$ 11,141.79</u>	<u>\$ 86,066.38</u>	<u>\$ 87,912.14</u>	<u>\$ 9,296.03</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
Office of the Central Area Superintendent
Desmond Blackburn, Ph.D.

754-321-3800

Facsimile: 754-321-3886

October 20, 2010

TO: Patrick Reilly, Chief Auditor
Office of Chief Auditor

FROM: Desmond K. Blackburn, Ph.D.
Central Area Superintendent

SUBJECT: WILTON MANORS ELEMENTARY
AUDIT REPORT ON INTERNAL ACCOUNTS
FISCAL YEAR 2009

The draft report on the Internal Accounts of Wilton Manors Elementary School for the 2008-2009 Fiscal Year has been reviewed and the Principal's report is attached.

The corrective measures implemented to prevent future exceptions have been approved. Mr. Beal, Area Director, held a formal conference with Mr. Narkier on October 9, 2010 to review the preventive initiatives. The Principal has been counseled on the serious nature of audit infractions by the Area Director.

In addition to the revised internal account-monitoring plan, the Area Office has implemented the steps listed below:

- The Area Director required the Principal to meet with the Bookkeeper to discuss/review all areas of concern (completed 10/08/2010).
- The Principal was required to meet with the Bookkeeper to review all exception areas referenced in the Standard Practice Bulletin (1-302) and School Board Policy 6301 (completed 10/09/2010).
- The Principal/designee will be required to meet with the Bookkeeper to ensure that receipt books and envelopes are turned in on a daily basis (ongoing).
- The Area Director will continue to monitor the Internal Accounts process during regular visits to Wilton Manors Elementary School (ongoing).

DKB/JPB:jb
Attachment

C: Jan Beal, Central Area Director
Delores McKinley, Director, Internal Accounts
Mark Narkier, Principal, Wilton Manors Elementary School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Wilton Manors Elementary School
Mark Narkier, Principal
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754 323-8958
754 323-8990 - fax

SCHOOL BOARD

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JAMES F. NGTTER
Superintendent of Schools

DATE: October 11, 2010
TO: Dr. Desmond Blackburn, Superintendent
Central Area
FROM: Mark Narkier, Principal 
Wilton Manors Elementary
SUBJECT: Audit Report on Internal Accounts, Fiscal Year 2009 Written Response

I have read the audit report dated October 11, 2010 and I am in agreement with the findings cited.

Item #1 – Late Remittances - During our review of cash collections, we noted staff held thirty (30) remittances totaling \$4,250.95 ranging from four to nine days before remitting them to the bookkeeper.

Corrective Action:

I have personally Reviewed Standard Practice Bulleting I-302 and School Board Policy 6301 with my faculty members during a faculty meeting on October 6, 2010. I have directed my bookkeeper to notify me personally with the name of any teacher that does not have their monies collection envelope with the appropriate funds turned in by 10 a.m. daily. I will then take preventive action with the teacher to ensure that monies collection is in compliance with all applicable policy and Standard Practice Bulletin. Furthermore, we have affixed colored reminder letters on the front of the monies collection envelopes reminding teachers to turn them in on a daily basis by 10 a.m. In addition, a back-up for the Bookkeeper has been selected and will receive training as appropriate.

I will continue to monitor this process as part of my daily supervisory routine.

EVERGLADES HIGH SCHOOL
AUDIT REPORT
FOR THE 2008-2009 FISCAL YEAR
JULY 1, 2008 THROUGH JUNE 30, 2009

PROFILE OF THE SCHOOL

Address: 17100 SW 48th Court, Miramar, Florida 33027

Principal: Dr. Paul Fetscher

Bookkeeper: Luisa March

Payroll Processor: Cindy Wetzel

CASH AND INVESTMENT SUMMARY

		<u>6/30/09</u>
Cash Account		
Checking Account – Wachovia	\$	67,387.83
Investment:		
Treasurer's Pool Account		<u>250,000.00</u>
TOTAL	\$	<u>317,387.83</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Everglades High School for the 2008-09 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 2008-09 fiscal year, on the cash basis of accounting. However, as indicated by the findings, the school administration should emphasize adherence to the policies and procedures in the School Board's Policies and the Standard Practice Bulletins, which establishes the system of internal controls designed by the District administration.

AUDIT EXCEPTIONS

Missing Funds

The current investigation of missing funds from student obligations was requested by the Principal on March 11, 2010. A Clerk Typist II, is alleged to have stolen funds when students paid with cash for text books, calculators, CDs, candy sales, and journalism press passes. This clerk collected funds for student obligations and ID badges from September 2009 to March 2010. We estimate approximately \$1,500 is missing.

Special Investigative Unit (SIU) was contacted after several students complained that they did not receive a receipt for payments given to this clerk for their obligation(s). The front-office employees, with the Principal's approval, conducted an in-house investigation by checking the TERMS system to verify whether these students had indeed paid for their obligation(s). They also conducted a text book inventory to ensure that obligations that were cleared in TERMS were replaced only when a text book was actually returned.

During the first week of March 2010 the front-office employees, who include the Office Manager, Bookkeeper, Payroll Contact, and Budgetkeeper, gave signed statements after interviewing a total of ten (10) students. The following was learned after the in-house investigation:

1. The names of students who paid with cash did not appear in the BC-40P receipt book.
2. Student(s) obligations were deleted in TERMS (A-25 screen).
3. The same BC-40P receipt number was recorded in TERMS for several students.
4. Students who had obligation(s) and claimed to have paid cash did not have a record of obligations in TERMS.

In addition, it is suspected that this clerk indicated "RETURNED" in the TERMS screen of several athletes by agreeing to settle their obligations for a fee (cash). Text books do not have a bar code; therefore tracing text books to a particular student was not possible.

Based on the previous years' collections, during the same time period, we estimate that between \$1,000 to \$2,000 in cash could be missing from obligations as follows:

The Lost and Damaged Texts account total receipts from obligations at year-end:

2007/2008 - \$13,841.65
2008/2009 - \$11,297.00
2009/2010 - \$ 9,400.72

Although another employee is assigned to collect obligations, this clerk is currently still employed with the District pending the outcome of the SIU investigation. A barcode system will be implemented for textbooks which would help trace students assigned to textbooks and other obligations.

School Board Policy 3411 Internal Accounts states "ALL MONIES COLLECTED OR DISBURSED BY SCHOOL PERSONNEL OR BY STUDENTS WITHIN A SCHOOL, IN CONNECTION WITH THE SCHOOL PROGRAM, FOR THE BENEFIT OF THAT SCHOOL, A CLASS, CLUB, DEPARTMENT, EMPLOYEE, OR STUDENT, SHALL BE RECORDED IN THE SCHOOL'S INTERNAL FUNDS."

School Board Policy 6301 Collection of Monies states "THE PRINCIPAL SHALL BE RESPONSIBLE FOR ALL MONIES COLLECTED AND DEPOSITED WITHIN HIS/HER SCHOOL BY SCHOOL PERSONNEL AND SHALL SUBMIT AN ACCOUNTING OF SUCH MONIES TO THE OFFICE OF THE SUPERINTENDENT IN ACCORDANCE WITH ACCEPTED BUSINESS PROCEDURES."

Standard Practice Bulletin I-316 Student Obligations Section I.A. states "Student obligations are student debts arising from unreturned or damaged school property. Student obligations are commonly generated by unreturned textbooks or fundraising items."

Section II.C. states "Once the student returns an item or pays for an item in full and an obligation card has been issued, the obligation card is returned to the student and should be used, by the student, as the receipt showing that the obligation was satisfied."

Section III.B. states "In addition to obligations being recorded on a student obligation card, student obligation information must also be recorded in the electronic TERMS database."

Section IV states "COLLECTION OF STUDENT OBLIGATIONS:

- A. Whenever possible, student obligation collections should not be made by the Bookkeeper.
 - Suggested collectors of student obligations are:
 1. The Assistant Principal
 2. The Guidance Counselor
 3. A front office staff member

- B. All student obligations should be receipted using a BC-40P receipt book. Additional information on receipting is located in SPB I-302.
- C. Once obligations are collected, they must be forwarded to the bookkeeper for receipting in the Internal Accounts system. The Bookkeeper will receipt collections into the account that incurred the original loss (i.e. ROTC, Class of F/Y etc.).
- D. Student obligations paid by check are only cleared after the check is honored by the bank.
- E. If a District school collects an obligation that originated from another school, the collecting school shall receipt and retain the funds in their textbook account, if the collection was for textbooks, or in the General fund of the school's internal accounts.
- F. Once a student obligation is paid, documentation of payment is forwarded to the staff member that maintains the TERMS database, for adjustment of the obligation amount.

Pending the outcome of the SJU investigation, we recommend that the Principal ensure that this employee is not assigned the duties of collection of funds in any capacity in an effort to prevent the possibility of theft and mishandling of funds.

I. Vending Commissions

The Bookkeeper assigned \$5,000 of the school's \$100,000 vending commission for the faculty. Although \$2,500 was already placed in the faculty account at the beginning of the school year, another \$2,500 was placed in Student Council for "teacher appreciation breakfast" as stated on the vending company's check memo. These funds were spent on gifts and meals for the faculty.

The Collective Bargaining Agreement between the School Board of Broward County, Florida, and the Broward Teachers Union (Teachers' Contract) Article 5 Section P. states "Vending Machines: Profits from vending machines in employee workrooms, luncheons or lounges shall be expended... as determined by the employees in the school and Principal at the worksite through the faculty council."

We recommend that the Principal contact the vending company to obtain a breakdown of receipts from each machine(s) in the teachers' lounge and based upon this information, make any necessary corrections to the faculty's vending commission for FY 09 & 10. In the future, the Bookkeeper should place only the percentage of sales from faculty assigned machines due to the faculty council in their (4810-0000) account.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

EVERGLADES HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2008 - 2009

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSEMENTS	ENDING BALANCES
Athletics	\$ 42,757.67	\$ 69,824.50	\$ 98,867.32	\$ 13,714.85
Music	5,683.96	44,183.54	45,127.98	4,739.52
Classes	36,125.67	135,307.23	125,122.28	46,310.62
Clubs	64,161.33	195,013.93	220,066.15	39,109.11
Departments	2,341.58	5,474.67	2,199.05	5,617.20
Trusts	25,806.82	153,323.51	148,512.65	30,617.68
General	<u>114,725.61</u>	<u>131,847.07</u>	<u>69,293.83</u>	<u>177,278.85</u>
TOTALS	<u>\$ 291,602.64</u>	<u>\$ 734,974.45</u>	<u>\$ 709,189.26</u>	<u>\$ 317,387.83</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

JOEL D. HERBST, Ed.D.
OFFICE OF THE SOUTH AREA SUPERINTENDENT

Telephone: (754) 321-3625

Facsimile: (754) 321-3630

October 4, 2010

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

FROM: Dr. Joel Herbst, Area Superintendent
South Area Office



SUBJECT: Internal Accounts Audit – Everglades High School

I have reviewed the report on the examination of the internal accounts for Everglades High School for the 2008-09 fiscal year and the attached principal's response.

The following procedures have been implemented which will verify that the steps outlined by principal are effective in eliminating audit exceptions in Missing Funds and the Vending Commission Account.

- a. The principal will meet with all of the staff involve in the collection of student obligation to discuss adherence to Standard Practice Bulletins I-316 pertaining to procedures for collecting student obligations. In addition, review School Board Policy 3411 relating to Internal Account procedures to record monies collected to the general fund and School Board Policy 6301 relating to the principal's responsibility for all monies collected.
- b. The principal will be directed to ensure that this employee is not assigned to any function which involves the collection or distribution of monies in any capacity.
- c. An administrator will be assigned to supervise how these student obligation collections are accounted for in the future and the new process design to significantly improve these procedures. He will closely review the recommendations made by the auditor and ensure that they are properly implemented.
- d. The principal will meet with the staff involve in the collection and accounting of the vending machine funds to discuss adherence to Article 5 Section P of The Collective Bargaining Agreement between the School Board of Broward County and the Broward Teachers Union pertaining to processes and procedures to account for vending machine commissions as agreed by the employees in the school and the principal at the worksite through the faculty council.
- e. The principal will be directed to review the breakdown of the collected commissions and reconcile the percentage that should be allocated to the faculty account and make any necessary correction.

We, the South Area Office, are committed to high expectations for all students and staff and pledge to ensure equal access to a quality education for our diverse population.

Everglades High School Audit Response Continued.

- f. The area director will meet with the principal and staff involved in the vending collection process to review new procedures that will be put in place to correct existing deficiencies and ensure a permanent solution.
- g. The principal will be required to include a performance objective focusing on audit exceptions in the 2010-11 performance plans
- h. The area director will conduct periodic reviews of the new procedures to ensure that the school is in compliance with the Standard Practice Bulletins and the School Board Policies cited in the audit and that the auditor's recommendations are followed

The principal understands the seriousness of this matter and will implement, develop and monitor a deliberate process to maintain exception-free audits in the future.

I will meet with the Area Director and the Principal to ensure that the corrective actions outlined in these responses are implemented and will effectively eliminate future audit exceptions.

Please feel free to contact me for questions or concerns

cc: Steve Friedman, South Area Director
Dr. Paul Fetscher, Principal, Everglades High School
Claude Remy, South Area Business Analyst

Attachment

JDH/SF/CR



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

EVERGLADES HIGH SCHOOL
Paul A. Fetscher, Ed.D., Principal
17100 S.W. 48 Court
Miramar, Florida 33027
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754-323-0640 FAX

SCHOOL BOARD

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JAMES F. NOTTER
Superintendent of Schools

September 8, 2010

TO: Dr. Joel Herbst, South Area Superintendent

FROM: Dr. Paul Fetscher, Principal

SUBJECT: AUDIT RESPONSE

Audit Exception -- Missing Funds #1

- All information contained in the Exception Report is correct. Everglades High School referred the matter to S.I.U. on March 11, 2010, at the first hint of impropriety for a personnel investigation.
- By printing a computer screen, which showed individual students as having "no obligations" this employee, circumvented SBBC 3411. The money was never deposited and the student's record showed no obligation.
- I have not been made aware of the outcome nor have I been made aware of the progress of this investigation.

Audit Exception: Vending Commissions #2

- Gilly's Vending was not supplying a machine by machine breakdown for transactions. Therefore, no specific dollar amount was available. The Principal took \$1500.00 out of the general vending revenue and deposited in the Faculty Council account.
- Gilly's vending has been asked to supply a machine by machine breakdown in order to facilitate the precise amount due to the Faculty Council account. It should be noted that up to this point the amount expended to the Faculty Council has satisfied the intent of Article 5 of the BTU Collective Bargaining Agreement with the SBBC.

PAF:jg