

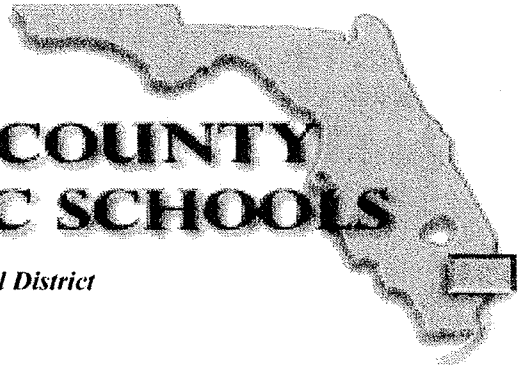
INTERNAL AUDIT REPORT

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



**BROWARD COUNTY
PUBLIC SCHOOLS**

The Nation's Sixth Largest School District



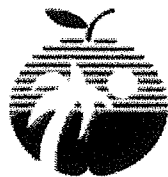
To be presented to the:

**Audit Committee on
January 23, 2014**

**The School Board of Broward County, Florida on
February 19, 2014**

By

The Office of the Chief Auditor



Broward County Public Schools

The School Board of Broward County, Florida

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Superintendent of Schools

January 10, 2014

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

Ladies and Gentlemen:

We have audited the Statement of Changes in Fund Balances for the Internal Funds at ten (10) schools for the fiscal years ended June 30, 2011, 2012 and 2013 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 ten (10) 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, 2011, 2012 and 2013 we considered the internal control structures. Our review of the internal control structures facilitates the development of the audit procedures and the expression of an opinion on the financial statements. We believe our audits provide a reasonable basis for our opinion.

Members of The School Board of Broward County, Florida
Members of The School Board Audit Committee
Robert W. Runcie, Superintendent of Schools
Page 2
January 10, 2014

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 five (5) schools in this report complied with prescribed policies and procedures. The remaining five (5) schools' reports contained some audit exceptions.

In our opinion, the Statements of Changes in Fund Balances for the ten (10) 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

Audits Supervised and Reviewed by:
Delores McKinley, CPA

Audits Performed by:
Meredith Filcman
Hermine James
Delores McKinley
Sheena Newton
Danielle Thomas
Reynaldo Tunnermann

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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 2013-2014 fiscal year, the Office of the Chief Auditor has audited the financial statements for the years ended June 30, 2011, 2012 and 2013 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 2010-2011, 2011-2012 and 2012-2013 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 and Business Practice Bulletins. Specifically, we determined that the payroll rosters were generally supported by payroll records and the payroll functions were adequately segregated. Currently, the Business Practice Bulletin-PR-100 has been implemented which provides the new payroll procedural requirements.

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

Areas of Audit Findings
2010-2011, 2011-2012 and 2012-2013

<u>Arthur Robert Ashe Jr. Middle School</u> <u>2010-11, 2011-12 & 2012-13</u>	1 Finding
1. Missing Pre-Numbered Documents	
<u>Fort Lauderdale High School 2010-11 & 2011-12</u>	2 Findings
1. Missing Receipting Documents	
2. Late Remittances	
<u>Hallandale Elementary School 2010-11, 2011-12 & 2012-13</u>	6 Findings
1. Missing Funds	
2. Receipting Documents	
3. Over and Under Account	
4. Late Remittances	
5. Missing Receipting Documents	
6. Lockbox	
<u>Lanier-James Education Center 2010-11, 2011-12 & 2012-13</u>	2 Findings
1. Receipting Procedures	
2. Fundraising Activities	
<u>Plantation High School 2010-11, 2011-12 & 2012-13</u>	1 Finding
1. Negative Balance	
TOTAL FINDINGS	12 Findings

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

**CURRENT AUDIT PERIOD
2010-11, 2011-12 & 2012-13**

**PRIOR AUDIT PERIOD
2009-10**

SCHOOL

Arthur Robert Ashe Jr.
Middle School

Missing Pre-numbered Documents

A total of nine (9) receipt books and one facility rental contract were not presented for audit:

- BC40-P Receipt books #1808601-1808901 (4 total)
- BC40-P Receipt books #3435201-3435401 (3 total)
- BC40-P Receipt books #3435701-3435801 (2 total)
- Facility Rental Contract #15055 (1 total)

Internal Advance

Our review of the Internal Advance account disclosed the theft of \$635.70. The Special Investigative Unit (SIU) has completed its investigation and the employee resigned effective November 22, 2010.

An internal advance issued to an employee of \$1,655.45 was returned to the bookkeeper intact for receipting. The bookkeeper did not follow proper procedures in promptly receipting the returned advance. The advance was comprised of paid receipts totaling \$1,019.75, and cash in the amount of \$635.70.

According to the bookkeeper the envelope containing both the cash and paid receipts was placed in her locked file cabinet located in her office. The bookkeeper asserted that her keys were used to gain access to the file cabinet by another employee who was in her office at the time. The matter was reported to the Fort Lauderdale Police Department and the SIU.

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11 & 2011-12	PRIOR AUDIT PERIOD 2009-10
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Fort Lauderdale High School

1. Missing Receipting Documents

During our examination of receipting documents, we noted six (6) Monies Collection Envelopes were missing. A Certificate of Loss was completed for five (5) of the six (6) missing envelopes. Additionally, two (2) of the missing envelopes contained cash collections totaling \$25.

2. Late Remittances

During our review of cash collections, we noted:

- a. For the period of August 27, 2012 to May 8, 2013, twenty-three (23) remittances totaling \$4,145.65 were remitted to the bookkeeper two (2) to twenty-seven (27) days late.
- b. On May 16, 2013, while conducting the audit, the auditor was informed of an issue involving the school bookkeeper and the 2012-2013 student Treasurer of the National Honor Society. During the end of year induction ceremony of new student officers, it was discovered that monies collected from students throughout the 2012-2013 school year were neither receipted, remitted nor posted to the Great Plains Accounting system. Further discussion with the bookkeeper revealed the

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11 & 2011-12	PRIOR AUDIT PERIOD 2008-09
Fort Lauderdale High School	<p>student Treasurer claimed to have given all monies collected from students between September 2012 and December 2012 to the bookkeeper in December of 2012. According to the student Treasurer, monies were given to the bookkeeper in two (2) non-School Board approved manila envelopes, with each envelope containing approximately \$300 (total of \$600). As a result of the student's claim, the school's Resource Officer, as well as the Broward District Schools Police Department were contacted to conduct an investigation. There was no evidence to support or corroborate the student's claim that any monies were ever given to the bookkeeper in December 2012.</p> <p>On the evening of May 16, 2013, while discussing the aforementioned issue with the Principal and bookkeeper, the graduating student Treasurer entered the Principal's office with a bag containing cash and pieces of torn papers with names, numbers, or a combination of names and numbers of possible students. It could not be determined if the written numbers represented the monetary amount paid by students for dues, t-shirt pur-</p>	

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11 & 2011-12	PRIOR AUDIT PERIOD 2008-09
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Fort Lauderdale High School

chased or the quantity of t-shirts ordered. The student Treasurer could not recall specifics, as the monies in the bag represented collections between January 2013 and May 2013; an accurate record was not maintained. According to the student Treasurer, the monies were kept at home in a drawer and the student was unaware of how much money was in his possession. Upon counting the money in the presence of the student Treasurer and the auditor, the bookkeeper receipted a total of \$720 in cash collections. Prior to the student's arrival with the cash, staff members were unaware that the student had \$720 in his possession.

Further research by the auditor revealed that no monies were credited to the National Honor Society club account for the 2012-2013 school year until May 16, 2013. Further review and discussions with the bookkeeper and the National Honor Society Club Sponsor revealed that although monies were collected from students for dues and t-shirt sales throughout the school year, there were no Monies Collection Envelopes or other receipting documents issued to the National Honor Society Sponsor to account for student

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11 & 2011-12	PRIOR AUDIT PERIOD 2008-09
Fort Lauderdale High School	<p>collections. In addition, a Financial Report was not completed in an effort to document t-shirt sales. The Club Sponsor relinquished the complete responsibility of collections to the student Treasurer and other club members, which consequently resulted in monies not being remitted to, nor receipted or deposited by the bookkeeper, until the induction of new officers. The Club Sponsor did not confirm nor verify with student members, student officers, or the bookkeeper that monies collected were ever remitted or deposited, a requirement of the Club Sponsor. To the contrary, the National Honor Society Club Sponsor received a supplement totaling \$711.00 to oversee club activities.</p> <p>Given the circumstances of the case and the sense of urgency in reaching a settlement with the graduating senior, a \$400 agreement was made between the Principal, the Chief Performance and Accountability Officer of the Office of School Performance and Accountability (OSPA), and the student's parent in an effort to resolve the case of monies collected, but not remitted or deposited between September 2012 and December 2012.</p> <p>3. Yearbooks</p> <p>During our analysis of the 2011-2012 Yearbook Activities, we noted several incidences of non-compliance with Standard Practice Bulletin I-405 <u>Student Publications</u> and Standard Practice Bulletin I-402 <u>Fundraising Activities</u>.</p>	

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11, 2011-12 & 2012-13	PRIOR AUDIT PERIOD 2009-10
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Hallandale Elementary School

Missing Funds:

During our audit of cash collections from FY2012 and FY2013, we found, \$10,751.25 was initially receipted on Monies Collection Envelopes or BC-40p receipt books, but this money was not deposited and is missing. The missing funds include:

Aftercare collections	\$ 8,758.00
Field Trip collections	<u>\$ 1,993.25</u>
	<u>\$10,751.25</u>

On September 3, 2013, the Broward District Schools Police started an investigation and the Bookkeeper was removed from the school.

Receipting Documents

During our audit of official receipting documents for FY2012 and FY2013, we found the bookkeeper:

- Did not properly cross reference one hundred and forty two (142) receipts for Monies Collection Envelopes or BC-40P receipts in Great Plains Accounting System.
- Used the same official receipt numbers on several different initial receipting source documents.
- Did not count the collections in the presence of the initial collector.
- Voided multiple official receipts.

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11 & 2011-12	PRIOR AUDIT PERIOD 2009-10
Hallandale Elementary School	<ul style="list-style-type: none"> ○ Voided official receipt numbers, but she used them for cross referencing. ○ Officially receipted funds collected, but then voided the transactions in Great Plains Accounting System and the funds were never deposited. ○ Did not ensure bookfair collections were documented on a monies collection envelope or BC-40P book, totaling \$6,615.46. 	

Over and Under Account:

For FY 2012, our review of the Over and Under Account showed the bookkeeper made adjustments, totaling \$16, 211.65. The bookkeeper stated "she had a problem with the credit card payments for Aftercare. All the credit card payments needed to be rerun for all the students who attended the aftercare program and paid with a credit card because no one realized the machine was not working properly."

Late Remittances:

For FY2011, \$700 was initially collected and officially receipted with RCT#5063 on May 12, 2011 and then was voided. On June 2, 2011 the funds were officially receipted again with RCT#5182 and

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11, 2011-12 & 2012-13	PRIOR AUDIT PERIOD 2009-10
Hallandale Elementary School	<p>This remittance was made fourteen (14) days late.</p> <p>For FY 2013, the auditor noted \$200 had not been officially receipted on February 20, 2013. The bookkeeper stated she found the monies. We found she officially receipted the funds on February 21, 2013. The funds which were initially collected on BC-40P receipts dated January 22, 2013 were officially receipted twenty-one (21) days late.</p> <p>Missing Receipting Documents</p> <p>During our examination of receipting documents for March 14 through May 25, 2012, we noted Aftercare credit card documentation and one (1) monies collection envelope were missing.</p> <p>Lockbox</p> <p>During our audit we found \$835 was missing from the lockbox. We have included the \$835 in the Missing Funds finding. The bookkeeper stated "she had no idea the funds had never been officially receipted since the Aftercare department had two books that they were using to initially receipt funds collected. She put the second book away without looking at it to verify if any funds were collected and everyone at the school had the code to the lockbox."</p>	

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11, 2011-12 & 2012-13	PRIOR AUDIT PERIOD 2009-10
Hallandale Elementary School	A new lockbox was purchased at the time of the audit and the old lockbox was given to the PTA to use. A Certificate of Loss form was completed at the time of the audit and the school notified the Hallandale Police of the \$835 loss.	

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11, 2011-12 & 2012-13	PRIOR AUDIT PERIOD 2009-10
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Lanier-James Education Center

1. Receipting Procedures

No Audit Exceptions

During our examination of receipting procedures, we noted:

- a. One (1) BC-40P receipt in the amount of \$20 did not agree with the official receipt number (#131) documented on the cover of the BC-40P receipt book or the amount officially receipted by the bookkeeper in the Great Plains Accounting system. Official receipt #131 was traced to two (2) check deposits totaling \$50. The \$20 collection could not be traced to the General Ledger or a Bank Deposit Posting Journal.
- b. The aggregate of twelve (12) BC-40P receipts did not agree with the amount officially receipted by the bookkeeper or the amount documented on the cover of the BC-40P receipt book. Evidence revealed a \$25 discrepancy for which the auditor could not determine if there was a shortage in collections or if the BC-40P receipt in question should have been voided. The BC-40P receipt did not include a student name/payee, date or the school name, but did include a dollar amount and the signature of the collector.
- c. The "For Bookkeeper's Use Only" section of BC-40P receipt books was not

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11, 2011-12 & 2012-13	PRIOR AUDIT PERIOD 2009-10
Lanier-James Education Center	<p>completed by the bookkeeper. The covers of BC-40P receipt books were updated during the audit at the auditor's request.</p> <p>d. The green copies (teacher/sponsor copy) of BC-40P receipts were not returned to the teacher/sponsor.</p> <p>2. Fundraising Activities</p> <p>During our analysis of fundraising activities/merchandising sales, we noted:</p> <p>a. In FY 2013, the school participated in a school zone Harvest Drive (fundraiser) to aid needy families. Sales from the school's car wash and breakfast fundraisers were neither receipted nor posted to the school internal accounts prior to disbursement. In addition, cash collections were not receipted using any of the School Board approved receipting documents (Monies Collection Envelope, BC-40P receipt book or pre-numbered tickets). Furthermore, neither a Financial Report nor a Report of Tickets Sold was used to account for sales. Cash collections totaling \$331 were given to the school social worker for remittance to the host school. A signed letter acknowledging the receipt of funds from the school's social worker to another colleague</p>	

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11, 2011-12 & 2012-13	PRIOR AUDIT PERIOD 2009-10
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Lanier-James Education Center

- was provided.
- b. For FY 2011 and 2012, we noted neither a Report of Tickets Sold nor a Financial Report was completed in an effort to document ticket sales for the school alumni talent show. As a result, the accuracy of ticket sales could not be determined.

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11, 2011-12 & 2012-13	PRIOR AUDIT PERIOD 2009-10
Plantation High School	<p>Negative Balance</p> <p>A negative balance of (\$31,829.54) remained in the Athletics Account (1000-0000) at year end 2013. Although the account was cleared from the General Account (7025-0000), for FY 2011 and 2012, a transfer in the year FY 2013 would have depleted all funds in the General account.</p>	<p>Payroll</p> <p>During our review of the "BB" Payroll for two (2) single payroll periods, we noted staff:</p> <ul style="list-style-type: none"> a. Did not print and approve the Time Management Report (ZTIM) and Net Earnings Report (ZEARNINGS) for payroll period January 10, 2011 – January 23, 2011. b. Did not print and approve the Time Management Report (ZTIM) and Net Earnings Report (ZEARNINGS) for payroll period February 21, 2011 – March 6, 2011 until after the check date. c. Did not complete Vacation/Leave Forms for four (4) employees. d. Approved seven (7) Vacation/Leave Request Forms that did not contain an approval date by the Principal. e. Did not maintain a sign-in/sign-out sheet for clerical employees.

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

**CURRENT AUDIT PERIOD
2010-11, 2011-12 & 2012-13**

**PRIOR AUDIT PERIOD
2009-10**

SCHOOL

Plantation High School

During our review of the "AA" payroll for the period January 31 – February 12, 2011, we noted:

- a. Temporary Duty Authorization Forms (TDA's) were not available for eleven (11) employees.
- b. Vacation/ Leave Request Forms were not completed for five (5) employees.
- c. Fifty-one (51) Vacation/Leave Request Forms were not signed or dated by the Principal and two (2) were not signed or dated by the employee.
- d. Four (4) employees' names did not match the Time Management Report (ZTIM).
- e. Five (5) Vacation/Leave Request Forms did not agree with the ZTIM Report.
- f. The ZTIM Report approval date was typed.
- g. The Net Earnings Report (ZEARNINGS) was printed and approved after the check date.

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

SCHOOL	CURRENT AUDIT PERIOD 2010-11, 2011-12 & 2012-13	PRIOR AUDIT PERIOD 2009-10
Plantation High School		Baseball Booster Club During our review of student's baseball accounts we noted for fiscal years 2007, 2008, and 2009 there was limited activity. But, during fiscal years 2010 and 2011 there was no activity in the account. Through discussions with school's bookkeeper, she stated she was not aware of any club activities handled by the Plantation High School Baseball Booster Club for FY 2010. She also explained if the Booster Club had a fundraiser they would complete a Project Approval Form and get an administrator's approval. On August 10, 2011, a staff member at Plantation High stated for FY 2010 and 2011 the Baseball Booster Club charged the team members \$500 each to be on the team. It has also been reported that they gave the Coach a \$1,000 gift/cash. The coach is not a Broward County School Board employee. He went on to say this limits the ability of some of the students to participate, as some may not have the money.

SECTION I:
Audit Reports (with No Exceptions)

COUNTRY HILLS ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2010-11, 2011-12 AND 2012-13 FISCAL YEARS
JULY 1, 2010 THROUGH JUNE 30, 2013

PROFILE OF THE SCHOOL

Address: 10550 Westview Drive, Coral Springs, Florida 33076
Principal: Kellee Stroup
Bookkeeper: Sylvia Goett
Payroll Processor: Sylvia Goett

CASH AND INVESTMENT SUMMARY

	<u>6/30/11</u>	<u>6/30/12</u>	<u>6/30/13</u>
Checking Account – Wells Fargo	\$ <u>38,935.83</u>	\$ <u>42,351.16</u>	\$ <u>40,456.48</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statements of Country Hills Elementary School for the 2010-11, 2011-12 and 2012-13 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 2010-11, 2011-12 and 2012-13 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.

COUNTRY HILLS ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2010 - 2011

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 1,581.55	\$ 104,334.91	\$ 103,888.75	\$ 2,027.71
Clubs	3,141.68	9,751.27	8,845.65	4,047.30
Department	13,860.49	4,316.72	3,157.87	15,019.34
Trusts	4,367.63	350,776.87	344,724.11	10,420.39
General	<u>7,981.04</u>	<u>10,435.56</u>	<u>10,995.51</u>	<u>7,421.09</u>
TOTALS	<u>\$ 30,932.39</u>	<u>\$ 479,615.33</u>	<u>\$ 471,611.89</u>	<u>\$ 38,935.83</u>

COUNTRY HILLS ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2011 - 2012

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 2,027.71	\$ 98,558.44	\$ 97,038.47	\$ 3,547.68
Clubs	4,047.30	7,752.54	8,989.55	2,810.29
Department	15,019.34	7,385.08	9,061.98	13,342.44
Trusts	10,420.39	325,492.00	322,412.95	13,499.44
General	<u>7,421.09</u>	<u>6,354.32</u>	<u>4,624.10</u>	<u>9,151.31</u>
TOTALS	<u>\$ 38,935.83</u>	<u>\$ 445,542.38</u>	<u>\$ 442,127.05</u>	<u>\$ 42,351.16</u>

COUNTRY HILLS ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2012 - 2013

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 3,547.68	\$ 94,393.45	\$ 96,067.81	\$ 1,873.32
Clubs	2,810.29	7,896.92	8,071.48	2,635.73
Department	13,342.44	3,276.74	175.48	16,443.70
Trusts	13,499.44	323,158.79	330,976.94	5,681.29
General	<u>9,151.31</u>	<u>8,069.55</u>	<u>3,398.42</u>	<u>13,822.44</u>
TOTALS	<u>\$ 42,351.16</u>	<u>\$ 436,795.45</u>	<u>\$ 438,690.13</u>	<u>\$ 40,456.48</u>

CHARLES W. FLANAGAN HIGH SCHOOL
AUDIT REPORT
FOR THE 2011-12 FISCAL YEAR
JULY 1, 2011 THROUGH JUNE 30, 2012

PROFILE OF THE SCHOOL

Address: 12800 Taft Street, Pembroke Pines, Florida 33028
Principal: Michelle Kefford
Bookkeeper: Roberta Randall
Payroll Processor: Ana Puig

CASH AND INVESTMENT SUMMARY

	<u>6/30/12</u>
Cash Account:	
Checking Account – Wells Fargo	\$ 61,438.79
Investment:	
Treasurer’s Pool Account	<u>120,000.00</u>
TOTAL	\$ <u>181,438.79</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statement of Charles W. Flanagan High School for the 2011-12 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 2011-12 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.

CHARLES W. FLANAGAN HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2011 - 2012

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 93.79	\$ 103,492.78	\$ 97,452.06	\$ 6,134.51
Music	903.71	92,041.67	85,369.70	7,575.68
Classes	16,104.65	203,583.20	202,989.04	16,698.81
Clubs	73,580.35	435,574.25	420,143.13	89,011.47
Departments	8,112.32	20,830.42	21,892.77	7,049.97
Trusts	21,359.96	196,590.79	176,657.23	41,293.52
General	<u>11,728.44</u>	<u>35,910.46</u>	<u>33,964.07</u>	<u>13,674.83</u>
TOTALS	<u>\$ 131,883.22</u>	<u>\$ 1,088,023.57</u>	<u>\$ 1,038,468.00</u>	<u>\$ 181,438.79</u>

MONARCH HIGH SCHOOL
AUDIT REPORT
FOR THE 2010-11, 2011-12 AND 2012-13 FISCAL YEARS
JULY 1, 2010 THROUGH JUNE 30, 2013

PROFILE OF THE SCHOOL

Address: 5050 Wiles Road, Coconut Creek, Florida 33073

Principal: James Neer

Bookkeepers: Viki Mistri (October 2012 to current)
Patricia Rhode (October 2003 to August 2012)

Payroll Processor: Joanne Ulrich

CASH AND INVESTMENT SUMMARY

	<u>6/30/11</u>	<u>6/30/12</u>	<u>6/30/13</u>
Checking Account – Wells Fargo	\$ <u>144,485.15</u>	\$ <u>115,955.80</u>	\$ <u>118,855.26</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statements of Monarch High School for the 2010-11, 2011-12 and 2012-13 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 2010-11, 2011-12 and 2012-13 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.

MONARCH HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2010 - 2011

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 705.85	\$ 60,514.94	\$ 61,220.79	\$ 0.00
Music	3,835.78	18,064.17	14,312.16	7,587.79
Classes	17,184.28	87,442.44	96,577.94	8,048.78
Clubs	47,188.39	213,576.82	215,341.45	45,423.76
Departments	3,000.77	5,451.14	5,912.65	2,539.26
Trusts	44,927.63	86,524.27	88,664.56	42,787.34
General	<u>43,630.31</u>	<u>3,658.98</u>	<u>9,191.07</u>	<u>38,098.22</u>
TOTALS	<u><u>\$ 160,473.01</u></u>	<u><u>\$ 475,232.76</u></u>	<u><u>\$ 491,220.62</u></u>	<u><u>\$ 144,485.15</u></u>

MONARCH HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2011 - 2012

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 0.00	\$ 70,214.13	\$ 69,918.68	\$ 295.45
Music	7,587.79	14,084.81	19,343.24	2,329.36
Classes	8,048.78	76,895.37	78,653.70	6,290.45
Clubs	45,423.76	201,384.62	211,589.47	35,218.91
Departments	2,539.26	3,542.29	3,308.08	2,773.47
Trusts	42,787.34	76,221.05	79,202.94	39,805.45
General	38,098.22	3,052.69	11,908.20	29,242.71
TOTALS	<u>\$ 144,485.15</u>	<u>\$ 445,394.96</u>	<u>\$ 473,924.31</u>	<u>\$ 115,955.80</u>

MONARCH HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2012 - 2013

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 295.45	\$ 90,319.85	\$ 90,615.30	\$ 0.00
Music	2,329.36	25,920.63	20,568.73	7,681.26
Classes	6,290.45	90,548.68	88,486.48	8,352.65
Clubs	35,218.91	207,231.85	179,587.36	62,863.40
Departments	2,773.47	6,912.94	7,246.08	2,440.33
Trusts	39,805.45	140,987.09	154,282.77	26,509.77
General	<u>29,242.71</u>	<u>35,123.70</u>	<u>53,358.56</u>	<u>11,007.85</u>
TOTALS	<u><u>\$ 115,955.80</u></u>	<u><u>\$ 597,044.74</u></u>	<u><u>\$ 594,145.28</u></u>	<u><u>\$ 118,855.26</u></u>

THURGOOD MARSHALL ELEMENTARY SCHOOL
 AUDIT REPORT
 FOR THE 2010-11, 2011-12 AND 2012-13 FISCAL YEARS
 JULY 1, 2010 THROUGH JUNE 30, 2013

PROFILE OF THE SCHOOL

Address: 800 N W 13th Street, Ft. Lauderdale, FL 33311

Principal: Michael Billins (July 2013 to current)

Principal During Audit Period: Olivia Vega (July 2006 to June 2013)

Bookkeeper: Galie M. Verret

Payroll Processor: Wanda J. Russell

CASH AND INVESTMENT SUMMARY

	<u>6/30/11</u>	<u>6/30/12</u>	<u>6/30/13</u>
Checking Account – Wells Fargo	\$ <u>7,408.01</u>	\$ <u>8,966.55</u>	\$ <u>9,039.14</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statements of Thurgood Marshall Elementary School for the 2010-11, 2011-12 and 2012-13 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 2010-11, 2011-12 and 2012-13 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.

THURGOOD MARSHALL ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2010 - 2011

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 442.04	\$ 4,952.00	\$ 4,807.00	\$ 587.04
Clubs	3,264.74	251.97	0.00	3,516.71
Departments	663.42	352.91	0.00	1,016.33
Trusts	1,490.29	7,965.10	8,127.75	1,327.64
General	<u>1,479.22</u>	<u>1,415.16</u>	<u>1,934.09</u>	<u>960.29</u>
TOTALS	<u><u>\$ 7,339.71</u></u>	<u><u>\$ 14,937.14</u></u>	<u><u>\$ 14,868.84</u></u>	<u><u>\$ 7,408.01</u></u>

THURGOOD MARSHALL ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2011 - 2012

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 587.04	\$ 7,166.00	\$ 7,385.00	\$ 368.04
Clubs	3,516.71	259.18	29.79	3,746.10
Departments	1,016.33	160.07	128.74	1,047.66
Trusts	1,327.64	11,808.54	10,275.11	2,861.07
General	<u>960.29</u>	<u>747.31</u>	<u>763.92</u>	<u>943.68</u>
TOTALS	<u>\$ 7,408.01</u>	<u>\$ 20,141.10</u>	<u>\$ 18,582.56</u>	<u>\$ 8,966.55</u>

THURGOOD MARSHALL ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2012 - 2013

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 368.04	\$ 10,499.32	\$ 9,765.18	\$ 1,102.18
Clubs	3,746.10	0.00	0.00	3,746.10
Departments	1,047.66	144.51	279.00	913.17
Trusts	2,861.07	10,352.30	10,740.40	2,472.97
General	<u>943.68</u>	<u>1,393.62</u>	<u>1,532.58</u>	<u>804.72</u>
TOTALS	<u>\$ 8,966.55</u>	<u>\$ 22,389.75</u>	<u>\$ 22,317.16</u>	<u>\$ 9,039.14</u>

TROPICAL ELEMENTARY SCHOOL
 AUDIT REPORT
 FOR THE 2010-11, 2011-12 AND 2012-13 FISCAL YEARS
 JULY 1, 2010 THROUGH JUNE 30, 2013

PROFILE OF THE SCHOOL

Address: 1500 SW 66th Avenue, Plantation, Florida 33317

Principal: Erik Anderson

Bookkeepers: Heather Braun, Business Support Center (November 2012 to current)
 Kathleen Masi (July 2010 to October 2012)

Payroll Processor: Mary Ehlinger

CASH AND INVESTMENT SUMMARY

	<u>6/30/11</u>	<u>6/30/12</u>	<u>6/30/13</u>
Cash Account:			
Checking Account – Wells Fargo	\$ 47,803.40	\$ 21,769.49	\$ 19,277.94
Investment:			
Treasurer’s Pool Account	<u>15,000.00</u>	<u>15,000.00</u>	<u>15,000.00</u>
TOTAL	\$ <u>62,803.40</u>	\$ <u>36,769.49</u>	\$ <u>34,277.94</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statements of Tropical Elementary School for the 2010-11, 2011-12 and 2012-13 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 2010-11, 2011-12 and 2012-13 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.

TROPICAL ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2010 - 2011

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 287.00	\$ 48,228.96	\$ 46,680.96	\$ 1,835.00
Clubs	6,482.99	6,188.48	8,036.29	4,635.18
Departments	4,378.91	15,230.32	16,187.14	3,422.09
Trusts	34,962.29	424,983.87	412,182.96	47,763.20
General	<u>15,885.55</u>	<u>2,330.41</u>	<u>13,068.03</u>	<u>5,147.93</u>
TOTALS	<u>\$ 61,996.74</u>	<u>\$ 496,962.04</u>	<u>\$ 496,155.38</u>	<u>\$ 62,803.40</u>

TROPICAL ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2011 - 2012

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 1,835.00	\$ 46,003.50	\$ 46,016.50	\$ 1,822.00
Clubs	4,635.18	3,796.53	2,237.71	6,194.00
Departments	3,422.09	13,947.10	15,983.27	1,385.92
Trusts	47,763.20	374,400.08	397,481.89	24,681.39
General	<u>5,147.93</u>	<u>1,815.59</u>	<u>4,277.34</u>	<u>2,686.18</u>
TOTALS	<u>\$ 62,803.40</u>	<u>\$ 439,962.80</u>	<u>\$ 465,996.71</u>	<u>\$ 36,769.49</u>

TROPICAL ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2012 - 2013

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 1,822.00	\$ 57,372.25	\$ 57,925.44	\$ 1,268.81
Clubs	6,194.00	3,003.79	1,467.74	7,730.05
Departments	1,385.92	18,295.35	18,581.42	1,099.85
Trusts	24,681.39	430,692.01	433,889.59	21,483.81
General	<u>2,686.18</u>	<u>3,629.23</u>	<u>3,619.99</u>	<u>2,695.42</u>
TOTALS	<u>\$ 36,769.49</u>	<u>\$ 512,992.63</u>	<u>\$ 515,484.18</u>	<u>\$ 34,277.94</u>

SECTION II:
Audit Report (with Exceptions)

ARTHUR ROBERT ASHE, JR. MIDDLE SCHOOL
AUDIT REPORT
FOR THE 2010-11, 2011-12 AND 2012-13 FISCAL YEARS
JULY 1, 2010 THROUGH JUNE 30, 2013

PROFILE OF THE SCHOOL

Address: 1701 NW 23rd Avenue, Fort Lauderdale, Florida 33311

Principal during
Audit Period: Wendy Bernstein (until July 2013, currently at Coral Glades High School)

Bookkeepers: Gerri A. Nagy, Business Support Center (December 2012 to June 2013)
Anna Howard Langston (July 2011 to December 2012)
Kenneth Stone (April 2011 to June 2011)
Anna Howard Langston (December 2010 to April 2011)
Michelle Allen (September 2010 to December 2010)
Anna Howard Langston (July 2010 to September 2010)

Payroll Processor: Deborah Aaron

CASH AND INVESTMENT SUMMARY

	<u>6/30/11</u>	<u>6/30/12</u>	<u>6/30/13</u>
Checking Account – Wells Fargo	\$ <u>16,172.13</u>	\$ <u>12,484.51</u>	\$ <u>3,596.93</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statements of Arthur Robert Ashe, Jr. Middle School for the 2010-11, 2011-12 and 2012-13 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 2010-11, 2011-12 and 2012-13 fiscal years, 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 Pre-numbered Documents

A total of nine (9) receipt books and one facility rental contract were not presented for audit:

- BC40-P Receipt books #1808601-1808901 (4 total)
- BC40-P Receipt books #3435201-3435401 (3 total)
- BC40-P Receipt books #3435701-3435801 (2 total)
- Facility Rental Contract #15055 (1 total)

Standard Practice Bulletin I-101 General Policy Section III.C. states "Responsibility-Bookkeeper: The bookkeeper will be delegated responsibility for: Accounting for and safeguarding used and unused initial receipting documents (Monies Collection Envelopes, BC-40P Departmental Receipt Books, Tickets and Facility Rental Contracts.)"

Standard Practice Bulletin I-302 Cash Collections Section II.A. states "All receipting documents MUST be in the Bookkeeper's/Budget Support Specialist's possession and properly LOGGED IN unless being actively used for collections."

We recommend the administration and staff adhere to Standard Practice Bulletins I-101 and I-302 ensuring that all pre-numbered documents are accounted for and retained for inventory and auditing purposes.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

ARTHUR ROBERT ASHE, JR. MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2010 - 2011

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 2,387.74	\$ 3,442.00	\$ 5,397.83	\$ 431.91
Music	380.00	0.00	0.00	380.00
Classes	1,207.59	174.80	1,207.59	174.80
Clubs	1,892.34	2,592.64	1,579.84	2,905.14
Departments	873.23	56.99	0.00	930.22
Trusts	7,892.07	53,361.14	56,289.90	4,963.31
General	<u>2,586.42</u>	<u>8,204.98</u>	<u>4,404.65</u>	<u>6,386.75</u>
TOTALS	<u><u>\$ 17,219.39</u></u>	<u><u>\$ 67,832.55</u></u>	<u><u>\$ 68,879.81</u></u>	<u><u>\$ 16,172.13</u></u>

ARTHUR ROBERT ASHE, JR. MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2011 - 2012

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 431.91	\$ 9,279.75	\$ 7,548.43	\$ 2,163.23
Music	380.00	0.00	23.98	356.02
Classes	174.80	25,879.01	25,536.37	517.44
Clubs	2,905.14	3,755.79	3,010.30	3,650.63
Departments	930.22	108.80	0.00	1,039.02
Trusts	4,963.31	31,449.89	35,374.31	1,038.89
General	<u>6,386.75</u>	<u>1,639.10</u>	<u>4,306.57</u>	<u>3,719.28</u>
TOTALS	<u>\$ 16,172.13</u>	<u>\$ 72,112.34</u>	<u>\$ 75,799.96</u>	<u>\$ 12,484.51</u>

ARTHUR ROBERT ASHE, JR. MIDDLE SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2012 - 2013

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 2,163.23	\$ 1,961.86	\$ 3,471.89	\$ 653.20
Music	356.02	0.00	356.02	0.00
Classes	517.44	14,737.65	15,076.84	178.25
Clubs	3,650.63	2,572.10	5,612.86	609.87
Departments	1,039.02	101.28	0.00	1,140.30
Trusts	1,038.89	9,322.03	9,757.89	603.03
General	<u>3,719.28</u>	<u>3,948.82</u>	<u>7,255.82</u>	<u>412.28</u>
TOTALS	<u>\$ 12,484.51</u>	<u>\$ 32,643.74</u>	<u>\$ 41,531.32</u>	<u>\$ 3,596.93</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

**DESMOND K. BLACKBURN, Ph.D.
CHIEF SCHOOL PERFORMANCE AND ACCOUNTABILITY OFFICER**

Telephone: 754-321-3838

Facsimile: 754-321-3886

December 9, 2013

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

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

**SUBJECT: INTERNAL FUNDS AUDIT RESPONSE – ARTHUR ASHE MIDDLE
SCHOOL**

The Office of School Performance and Accountability has reviewed the internal audit findings for Arthur Ashe Middle School. Arthur Ashe Middle School closed as a school as of July 1, 2013. These audit findings have been discussed with the former Principal, Wendy Bernstein, and she has taken full responsibility to implement deliberate steps to ensure exception-free internal audits in the future for her current and future school administrative assignments.

If additional information is needed, please let me know.

DKB/DH:bjw

cc: David Hall, Director, Office of School Performance and Accountability
Mr. Ronald Smith, Business Analyst
Wendy Bernstein, Former Principal, Arthur Ashe Middle School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Coral Glades High School
Steven Carruth, Principal
2700 Sportsplex Drive
Coral Springs, FL 33065
754-322-1250 – 754-322-1380 Facsimile
www.coralgladeshigh.com

SCHOOL BOARD

Chair PATRICIA GOOD
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ROBIN BARILEMAN
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ROBERT W. RUNCIE
Superintendent of Schools

November 25, 2013

TO: David Hall, Director
School Performance & Accountability

FROM: Wendy Bernstein, Former Principal ^{WB}
Arthur Robert Ashe, Jr. Middle School

SUBJECT: Audit Report on Internal Accounts –
Fiscal Years 2011, 2012 & 2013

As the former Principal at Arthur Robert Ashe, Jr. Middle School, I have reviewed the findings of the recent audit on internal accounts. The findings resulted in an audit exception for missing pre-numbered documents. The following corrective actions are in place:

Missing Pre-numbered Documents

- I have reviewed Standard Practice Bulletin I-101, General Policy, specifically Section III.C., regarding the safeguarding of Monies Collection Envelopes, BC-40P Departmental Receipt Books, Tickets and Facility Rental Contracts.
- I have reviewed Standard Practice Bulletin I-302, Cash Collections, specifically Section II.A., regarding the logging in of receipting documents.
- I will implement better controls on all pre-numbered documents in the future.

Please contact me if further information is needed.

WB

FORT LAUDERDALE HIGH SCHOOL
 AUDIT REPORT
 FOR THE 2010-11 AND 2011-12 FISCAL YEARS
 JULY 1, 2010 THROUGH JUNE 30, 2012

PROFILE OF THE SCHOOL

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

Principal: Priscilla Ribeiro (July 2011 to present)

Principal During Audit: Dr. Marielena Wright (July 2002 to June 2011)

Bookkeepers: Denise Nonamaker, Business Support Center (October 2013 to present)
 Denise Nonamaker (July 2010 to June 2013)

Payroll Processors: Jessica Cartas (May 2013 to present)
 Debra Swain (October 2012 to present)
 Connie Zimmermann (July 2010 to April 2013)

CASH AND INVESTMENT SUMMARY

	<u>6/30/11</u>	<u>6/30/12</u>
Cash Account:		
Checking Account – Sun Trust	\$ 40,577.49	\$ 43,500.47
Investment:		
Treasurer’s Pool Account	<u>145,000.00</u>	<u>145,000.00</u>
TOTAL	\$ <u>185,577.49</u>	\$ <u>188,500.47</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statements of Fort Lauderdale High School for the 2010-11 and 2011-12 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 2010-11 and 2011-12 fiscal years, 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. Missing Receipting Documents

During our examination of receipting documents, we noted six (6) Monies Collection Envelopes were missing. A Certificate of Loss was completed for five (5) of the six (6) missing envelopes. Additionally, two (2) of the missing envelopes contained cash collections totaling \$25.

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 retained for audit purposes."

Standard Practice Bulletin I-302 Cash Collections Section I.B. states "The Principal shall be responsible for all monies collected and deposited within his/her school; and for maintaining an accurate record as to whom departmental receipt books, monies collection envelopes, ticket sales reports, cash reports, etc. are issued."

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. Loss of a document may result in the school receiving audit exceptions."

Standard Practice Bulletin I-404 Certificate of Loss Section I.A. 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.

- A. 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.
- B. The Certificate of Loss must be presented to the School Principal for his/her signature and any action deemed appropriate.

- C. The Certificate of Loss must be retained for audit.
- D. It is recommended a copy of the completed Certificate of Loss be attached to or included with any initial receipting document (Monies Collection Envelope; BC-40P Receipt Book, etc.).”

We recommend the Principal review the requirements of School Board Policy 6301 and Standard Practice Bulletins I-302 and I-404 with staff and ensure that receipting documents are safeguarded by periodically accounting for all pre-numbered documents.

2. Late Remittances

During our review of cash collections, we noted:

- a. For the period of August 27, 2012 to May 8, 2013, twenty-three (23) remittances totaling \$4,145.65 were remitted to the bookkeeper two (2) to twenty-seven (27) days late.
- b. On May 16, 2013, while conducting the audit, the auditor was informed of an issue involving the school bookkeeper and the 2012-2013 student Treasurer of the National Honor Society. During the end of year induction ceremony of new student officers, it was discovered that monies collected from students throughout the 2012-2013 school year were neither receipted, remitted nor posted to the Great Plains Accounting System. Further discussion with the bookkeeper revealed the student Treasurer claimed to have given all monies collected from students between September 2012 and December 2012 to the bookkeeper in December of 2012. According to the student Treasurer, monies were given to the bookkeeper in two (2) non-School Board approved manila envelopes, with each envelope containing approximately \$300 (total of \$600). As a result of the student’s claim, the school’s Resource Officer, as well as the Broward District Schools Police Department were contacted to conduct an investigation. There was no evidence to support or corroborate the student’s claim that any monies were ever given to the bookkeeper in December 2012.

On the evening of May 16, 2013, while discussing the aforementioned issue with the Principal and bookkeeper, the graduating student Treasurer entered the Principal’s office with a bag containing cash and pieces of torn papers with names, numbers, or a combination of names and numbers of possible students. It could not be determined if the written numbers represented the monetary amount paid by students for dues, t-shirts, purchased or the quantity of t-shirts ordered. The student Treasurer could not recall specifics, as the monies in the bag represented collections between January 2013 and May 2013; an accurate record was not maintained. According to the student Treasurer, the monies were kept at home in a drawer and the student was unaware of how much money was in his possession. Upon counting the money in the presence of the student Treasurer and the auditor, the bookkeeper receipted a total of \$720 in cash collections. Prior to the student’s arrival with the cash, staff members were unaware that the student had \$720 in his possession.

Further research by the auditor revealed that no monies were credited to the National Honor Society club account for the 2012-2013 school year until May 16, 2013. Further review and discussions with the bookkeeper and the National Honor Society Club Sponsor revealed that although monies were collected from students for dues and t-shirt sales throughout the school year, there were no Monies Collection Envelopes or other receipting documents issued to the National Honor Society Sponsor to account for student collections. In addition, a Financial Report was not completed in an effort to document t-shirt sales. The Club Sponsor relinquished the complete responsibility of collections to the student Treasurer and other club members, which consequently resulted in monies not being remitted to, nor receipted or deposited by the bookkeeper, until the induction of new officers. The Club Sponsor did not confirm nor verify with student members, student officers, or the bookkeeper that monies collected were ever remitted or deposited, a requirement of the Club Sponsor. To the contrary, the National Honor Society Club Sponsor received a supplement totaling \$711 to oversee club activities.

Given the circumstances of the case and the sense of urgency in reaching a settlement with the graduating senior, a \$400 agreement was made between the Principal, the Chief School Performance and Accountability Officer of the Office of School Performance and Accountability (OSPA), and the student's parent in an effort to resolve the case of monies collected, but not remitted or deposited between September 2012 and December 2012.

School Board Policy 6210 Supplements states Rules: "3) It shall be the responsibility of each principal/administrator to ensure compliance with job descriptions designated for specific supplements. 4). It shall be the responsibility of each principal/administrator to monitor this policy at his/her school location."

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 retained for audit purposes."

The Compensation Job Description Database for the position title of National Honor Society (NHS) Sponsor states "Accountability Procedures: The Principal or designee will assess the effectiveness of the National Honor Society Sponsor annually with respect to the performance of specific responsibilities."

"Performance Responsibilities: The National Honor Society (NHS) Sponsor shall:

1. Be responsible for the day-to-day supervision of the chapter and act as liaison between faculty, administration, students and community.
2. Provide school staff with a list of current members of NHS and present a positive image of NHS to the rest of the school.
4. Schedule chapter meetings on a regular basis.
5. Place NHS activities on school calendar in compliance with established school procedures.

6. Maintain files on membership, chapter history, activities and financial transactions. The chapter advisor shall send the annual activity report to the national office, other required reports to state and district organizations.
8. Schedule organizational meetings of officers and assist in planning activities for the school year.
9. Regularly review each member for compliance with NHS standards and obligations.
11. Provide for any training necessary for students to accomplish service projects.
12. Assist in organizing (or provide opportunities for) leadership experiences.
15. Assist in organizing (or provide opportunities for) fundraising opportunities in accordance with the policies of The School Board of Broward County, Florida and the school goals and objectives.
16. Help the chapter officers understand and carry out their duties.
20. Serve as a positive role model for NHS members and the school as a whole.
21. Use the NHS organization as a vehicle to encourage the principles of scholarship, leadership, character and service throughout the school to the fullest extent possible.
22. Perform and promote all activities in compliance with equal employment and nondiscrimination policies of The School Board of Broward County, Florida.
23. Participate, successfully, in the training programs offered to increase the individual's skill and proficiency related to the assignments.
24. Review current developments, literature and technical sources of information related to job responsibility.
25. Ensure adherence to good safety procedures.
26. Perform other duties as assigned by the Director, Student Services.
27. Follow federal and state laws, as well as School Board policies."

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."

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. In order to assure an accurate and complete accounting of items purchased for resale, it is strongly recommended a sale deadline date be assigned."

Section II.A.5. states "Because all units or items purchased for resale must be accounted for in some manner, a Merchandise Distribution Sheet must be maintained by the sponsor when merchandise is to be sold by a number of student salespeople."

Section II.A.7. states "Monies are to be turned in daily if over \$200, at least within three days, always on Friday, the last day of the month and before any breaks. (See I-302 Cash Collections)"

Section III.A. states " Completing The Financial Report:

1. Complete the top portion of the Financial Report.

2. The second portion of the form must be completed in its entirety. This section of the report is based on total number of units (items) available for sale, information taken from the vendor's invoice.
3. It is very important all units (items) must be accounted for either as sales, returns, damaged, remaining in inventory, etc.
4. The Financial Report is to be signed by the Sponsor and submitted to the Assistant Principal who will determine if the report has been submitted in a timely manner, initial the report and return it to the sponsor. The sponsor will then submit the signed Financial Report to the bookkeeper who will enter the date the report was received and have the sponsor sign the Project Log.
5. The Principal is required to sign the Financial Report.
6. School bookkeeper will retain the Financial Report for audit, along with any applicable information.
7. Any items not returned by a student salesperson must be documented with a student obligation.
8. Any items given away must be documented with a signed sheet indicating description of item, printed name of receiver and signature of receiver.”

We recommend the Principal review the requirements of School Board Policies 6210, 6301, the Compensation Job Performance Responsibilities, Standard Practice Bulletins I-302 and I-402 with staff and ensure:

1. The National Honor Society Sponsor repays the total amount of \$711 in supplement payments received during the 2012-2013 school year and a new sponsor selected.
2. The requirements and expectations of club sponsors are reviewed with staff as often as needed.
3. Collections are receipted in a timely manner. All monies should be collected from students at the close of each fundraising event. Students should not be allowed to keep money in their possession for an extended period of time.
4. Merchandising/fundraising sales are accurately documented on Financial Reports with amounts verified to fund account information, supporting sales documentation and vendor invoices/receipts.
5. The bookkeeper verifies all figures for accuracy when receipting, posting and depositing collections.
6. Monies Collection Envelopes are issued directly to club sponsors for all fundraising activities.

3. Yearbooks

During our analysis of the 2011-2012 yearbook activities, we noted:

- a. Reported sales documented on the Financial Report did not agree with actual monies collected and amounts posted to the General Ledger. The Financial Report was understated by approximately \$2,405.

- b. Reported sales documented on the Financial Report for old yearbooks did not agree with actual monies collected and amounts posted to the General Ledger. The Financial Report was understated by approximately \$200.
- c. The Financial Report contained the incorrect calculation for the units sold at the \$65 price point. The sum was understated by approximately \$2,535, which resulted in the understatement of actual sales recorded on the Financial Report and the Yearbook Distribution Report.
- d. The Sales and Purchasing Summary were not completed on the yearbook Financial Report.
- e. The Yearbook Distribution Report included fourteen (14) yearbook overruns and fifteen (15) yearbooks returned to the yearbook publisher; however, the vendor invoice denotes zero (0) as the number of excess copies distributed to the school. In addition, there is no evidence to support the return of any yearbooks nor has a credit from the vendor been issued.

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 is made for all units purchased.”

Section III.A. states “Completing the Fundraising Financial Report: ...The second portion of the form must be completed in its entirety. This section of the report is based on total number of units (items) available for sale, information taken from vendor’s invoice... It is very important all units (items) must be accounted for either as sales, returns, damaged, remaining in inventory, etc...”

Standard Practice Bulletin I-405 Student Publications Section III. states “The publishing of yearbooks is a student activity financed by yearbook revenues (student purchases, advertising, fundraising, etc.)...As a student activity, the yearbook is governed by all of the regular policies and regulations related to internal funds activities...Anticipated income from Advertising and Yearbook Sales should influence the number of books purchased.”

Section III.E3. states “Yearbook Distribution Report (Exhibit 5) will assist the Yearbook Advisor in summarizing all yearbook distributions.

The Yearbook Distribution Report must indicate:

- a. The School's name
- b. School Year Date
- c. Number of Books Ordered
- d. Number of Books over-run
- e. Total number of books delivered

Books delivered must be documented by:

- (1) Physical Inventory Verification
- (2) Vendor Invoice

- f. Number of Books Sold (should agree with Yearbook Master Receipt List)

g. Complimentary copies issued (1) Complimentary Copies of the yearbook issued must be accounted for with a legibly printed name and signature of recipient on a Complimentary Copy Receipt Form (EXHIBIT 6).”

We recommend the Principal review the requirements of Standard Practice Bulletins I-402 and I-405 with the bookkeeper and yearbook sponsor and ensure:

1. All yearbook sales posted to the Yearbook account agree with Financial Reports and supporting yearbook documentation. All Financial Reports should be reviewed by the bookkeeper for accuracy.
2. The total number of units available for sale and the Purchase Summary are accurate and completed in its entirety. All figures should agree with the vendor invoice, Yearbook Distribution Report and the Complimentary Receipt Form.
3. The Sales and Purchasing Summary are completed on the yearbook Financial Report.
4. Yearbook overruns are correctly documented on Financial and Distribution Reports. The number of overruns reflected on completed documents should agree with vendor invoices.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

FORT LAUDERDALE HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2010 - 2011

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 0.00	\$ 62,283.12	\$ 61,641.81	\$ 641.31
Music	2,073.92	3,769.90	4,834.01	1,009.81
Classes	7,883.78	71,829.58	73,271.10	6,442.26
Clubs	39,990.39	157,957.18	148,529.15	49,418.42
Departments	3,974.90	5,949.28	4,727.21	5,196.97
Trusts	49,900.39	56,408.62	59,724.02	46,584.99
General	78,523.27	12,848.21	15,087.75	76,283.73
TOTALS	\$ 182,346.65	\$ 371,045.89	\$ 367,815.05	\$ 185,577.49

FORT LAUDERDALE HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2011 - 2012

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 641.31	\$ 53,403.23	\$ 52,640.59	\$ 1,403.95
Music	1,009.81	2,090.00	992.96	2,106.85
Classes	6,442.26	95,808.02	93,669.10	8,581.18
Clubs	49,418.42	176,575.17	170,272.91	55,720.68
Departments	5,196.97	4,292.57	4,163.46	5,326.08
Trusts	46,584.99	91,809.33	80,110.94	58,283.38
General	<u>76,283.73</u>	<u>19,466.42</u>	<u>38,671.80</u>	<u>57,078.35</u>
TOTALS	<u><u>\$ 185,577.49</u></u>	<u><u>\$ 443,444.74</u></u>	<u><u>\$ 440,521.76</u></u>	<u><u>\$ 188,500.47</u></u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

**DESMOND K. BLACKBURN, Ph.D.
CHIEF SCHOOL PERFORMANCE AND ACCOUNTABILITY OFFICER**

Telephone: 754-321-3838

Facsimile: 754-321-3886

Date December 9, 2013

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

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

SUBJECT: **INTERNAL ACCOUNTS AUDIT
FORT LAUDERDALE HIGH SCHOOL**

The Office of School Performance and Accountability has reviewed the internal audit findings for Fort Lauderdale High School. These audit findings have been discussed with the Principal, Priscilla Ribeiro, and she has taken full responsibility to implement deliberate steps to ensure exception-free internal audits in the future. The Office of School Performance and Accountability will monitor the school's progress and hold the Principal appropriately accountable should future audit exceptions occur.

If additional information is needed, please let me know.

DKB:mg

cc: Michael J Ramirez, Director, Office of School Performance and Accountability
Nell Johnson, Director Business Support Center
Danielle Thomas, Auditor III
Priscilla Ribeiro, Principal, Fort Lauderdale High School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

FORT LAUDERDALE HIGH SCHOOL
Priscilla B. Ribeiro, Principal
1600 N.E. 4th Avenue
Fort Lauderdale, FL 33305
Phone (754) 322-1100
Fax (754) 322-1230

SCHOOL BOARD


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ROBERT W. RUNCIE
Superintendent of Schools

December 9, 2013

TO: Michael Ramirez, Director
Office of School Performance and Accountability

FROM: Priscilla B. Ribeiro, Principal 
Fort Lauderdale High School

SUBJECT: Response to Audit Report on Internal Accounts
Fiscal Years 2011 & 2012

The following is a description of the corrective actions Fort Lauderdale High School will take in order to mitigate the findings identified in the internal audit conducted at Fort Lauderdale High School.

1. MISSING RECEIPTING DOCUMENTS

- a. **Summary of Exception:** There was one (1) missing envelope without a completed Certificate of Loss.
- b. **Corrective Actions:**
 - The administrator overseeing activities will verify all collection envelopes are accounted for twice yearly in December and May.
 - The Principal has reviewed all requirements of School Board Policy 6301 and Standard Practice Bulletin I-302 and I-404 with staff to ensure all future receipting documents are safeguarded by periodically accounting for all pre-numbered documents.

2. LATE REMITTANCES

- a. **Summary of Exception:** During a school year 23 remittances totaling \$4,145.65 were remitted between two (2) and twenty-seven (27) days late.
- b. **Corrective Actions:**

- The principal will implement, through written and verbal reminders measures to ensure that staff submits timely remittances.
- The principal will ensure that in the future all teachers/club sponsors will sign an acknowledgement that they have reviewed and understand the Standard Practices. Assistance will be provided with respect to collections of monies and student responsibilities.
- The principal and administrator will ensure all policies with respect to School Board Policy 6210, 6301, and Standard Practice Bulletins I-3202 and I-402 are reviewed with staff and are adhered to throughout the year.

Regarding the specific issue with the National Honor Society sponsor, the following actions were taken by the administration:

- Appropriate consequences were issued to the sponsor as per progressive discipline plan.
- The sponsor has agreed to make restitution for the supplement collected during the 2012-13 school year.
- The administrator over activities along with the bookkeeper will perform four random audits of the club's collection envelopes and inventory throughout the school year to ensure the sponsor is in compliance with policy and standard practices.
- The principal has reviewed the requirements of School Board Policy 6210, 6310, the Compensation Job Performance Responsibilities, Standard Practice Bulletins I-302 and I-402 with the sponsor, administrator over activities and the bookkeeper.

3. YEARBOOKS

- a. **Summary of Exception:** An incorrect Financial Report was submitted and distribution of yearbooks was not performed according to the Standard Practices Bulletin.
- b. **Corrective Actions:**
 - The principal will ensure the yearbook sponsor submits accurate financial reports.
 - The bookkeeper and administrator-overseeing yearbook have reviewed the Standard Practice Bulletins I-402 and I-405 with the sponsor.

Fort Lauderdale High School continues to follow all policies and standard practices with fidelity. To further ensure continuous improvement of our accounting practices, as of October 2013, Fort Lauderdale High School began utilizing the Business Support Center for all its internal accounting needs.

HALLANDALE ELEMENTARY SCHOOL
AUDIT REPORT
FOR THE 2010-11, 2011-12 and 2012-13 FISCAL YEARS
JULY 1, 2010 THROUGH JUNE 30, 2013

PROFILE OF THE SCHOOL

Address: 900 SW 8th Street, Hallandale, Florida 33009
Principal: Leena Itty (July 2013 to present)
Principal during Audit Period: Sharon Ludwig (July 1994 to June 2013)
Bookkeeper: Angela Garcia (July 2006 to September 2013)
Payroll Processor: Kathy Wernecke

CASH AND INVESTMENT SUMMARY

	<u>6/30/11</u>	<u>6/30/12</u>	<u>6/30/13</u>
Checking Account – Wells Fargo	\$ <u>3,375.45</u>	\$ <u>6,142.53</u>	\$ <u>9,835.70</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statements of Sanders Park Elementary School for the 2010-11 and 2011-12 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 2010-11 and 2011-12 fiscal years, 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:

During our audit of cash collections from FY2012 and FY2013, we found, \$10,751.25 was initially received on Monies Collection Envelopes or BC-40p receipt books, but not deposited and is missing. The missing funds include:

- Aftercare collections \$ 8,758.00
- Field Trip collections \$ 1,993.25
- \$ 10,751.25

On September 3, 2013, the Broward District Schools Police started an investigation and the Bookkeeper was removed from the school.

School Board Policy 3411 Internal Accounts states "In the event of loss of equipment or of funds in charge of school personnel, a written report must be made immediately to the Police Department or Sheriff's Office and to the Superintendent describing fully the nature and extent of the loss. If a loss involves cash or inventories of school store, food or supplies, the report should itemize the materials and their respective values."

Standard Practice Bulletin I-101 General Policy Section III.A states "Responsibility- Bookkeeper: The bookkeeper will be delegated responsibility for verifying collections, officially receipting, reconciling and preparing bank deposits for funds being collected by staff or sponsors."

Standard Practice Bulletin I-302 Cash Collections Section II.1.g states "BC-40P Departmental Receipt Book: Bookkeeper will count the monies in the presence of the collector, verify collection amounts received in the BC-40P book, issue an official receipt from the computer and complete the bookkeeper's area on the front of the receipt book."

Section II. B.2g. states "Collections must be remitted to bookkeeper intact (exactly as received.), counted and reconciled (balanced) with the monies collection envelope total. You must not:

- 1) Make purchases from collections.
- 2) Substitute personal checks for collections.
- 3) Hold money for change purposes."

Section II. B.2h. states "Bookkeeper will count the monies in the presence of the collector, issue an official receipt from the computer and complete the bookkeeper's area on front of Monies Collection Envelope."

Section II. B.5. states "Computer Generated Receipt (AKA Bookkeeper's Official Receipt) The Bookkeeper/Budget Support Services Official Receipt is to be printed and issued each time the bookkeeper receives monies. There are no exceptions to receipting and printing the receipt.

- a) A receipt must always be printed and distributed to the collector when funds are deposited with the Bookkeeper/Budget Support Services.
- b) Receipts should not be combined. Each initial receipting document must have its own official receipt.
- c) Receipts issued on the computer can only be voided before the funds are sent to the bank and on the same date the receipt was issued.
- d) Voided receipts must be retained for audit purposes. The two Bank Transaction Posting Journals that print after the voiding process must be attached to the original voided receipt."

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."

Standard Practice Bulletin I-454 Accounting for Before and After School Child Care (BASCC) Section II.E. states "A safe should be made available to the child care collector where possible. All cash received by the collector should be placed in the safe, if available or in a locked cabinet until they are transferred to the bookkeeper (no later than the next school day)."

Section II. G.2 Fee Collections states " The bookkeeper: b. Verifies that checks receipted equal amounts posted and automatically deposited and that cash remitted equals BC-40P receipts. If the monies and receipt amounts do not equal, the collector should be notified before any official receipting is done. c. If a loss of funds should occur, the bookkeeper, or designee, will only issue a receipt for the amount of funds being remitted. A detailed explanation (Certificate of Loss Form - Exhibit 11 signed by the principal) must be attached to the inside cover of the receipt book."

We recommend the Principal review the requirements of School Board Policy 3411 and Standard Practice Bulletins I-101, I-302, I-404 and I-454 with Bookkeeper to ensure:

- a) Collections are counted in the presence of the initial collector.
- b) Proper cross referencing of official receipting documents and amounts initially collected in Great Plains, (accounting system).
- c) Official receipt numbers are not duplicated on several different initial receipting source documents.
- d) Official receipt numbers are not re-used, when it has already been used to account for a voided transaction.

Receipting Documents

During our audit of official receipting documents for FY 2012 and FY 2013, we found the bookkeeper:

- a) Did not properly cross reference one hundred and forty two (142) receipts for Monies Collection Envelopes or BC-40P receipts in Great Plains Accounting System.
- b) Used the same official receipt numbers on several different initial receipting source documents.
- c) Did not count the collections in the presence of the initial collector.
- d) Voided multiple official receipts.
- e) Voided official receipt numbers, but she used them for cross referencing.
- f) Officially receipted funds collected, but then voided the transactions in Great Plains Accounting System and the funds were never deposited.
- g) Did not ensure bookfair collections were documented on a monies collection envelope or BC-40P book, totaling \$6,615.46.

Standard Practice Bulletin I-103 Computerized Internal Accounts User's Manual Section I.A.2. states "Cross reference the initial receipting document (Monies Collection Envelope, BC-40P Receipt Book, Ticket Report, etc.) and the computer receipt number recorded on the initial receipting document."

Standard Practice Bulletin I-302 Cash Collections Section II. B.2a states. "Pre-numbered collection envelopes are 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.2g. sates "Bookkeeper will count the monies in the presence of the collector, issue an official receipt from the computer and complete the bookkeeper's area on front of Monies Collection Envelope."

Section II. B.5. states "Computer generated receipts (AKA Bookkeeper's Official Receipt) The Bookkeeper's Official receipt is to be printed and issued each time the bookkeeper receives monies. There are no exceptions to receipting and printing receipts.

- a. A receipt must always be printed and distributed to the collector when funds are deposited with the bookkeeper.
- b. Receipts should not be combined. Each initial receipting document must have its own official receipt.”

We recommend the Principal review Standard Practice Bulletin I-302 with the Bookkeeper to ensure:

- o Official receipt number and source documents are properly cross referenced in Great Plains.
- o Official receipt numbers are not duplicated on several different initial receipting source documents.
- o Funds are counted in the presence of the initial collector.
- o Voided transactions are approved by the principal.
- o Daily bookfair collections are recorded on a monies collection envelopes.

Over and Under:

For FY 2012 our review of the Over and Under showed the bookkeeper made adjustments, totaling \$16, 211.65. The bookkeeper stated “she had a problem with the credit card payments for Aftercare. All the credit card payments needed to be rerun for all the students who attended the aftercare program and paid with a credit card because no one realized the machine was not working properly.”

Standard Practice Bulletin I-303 Deposit of Collections Section II. B & C states “Print the Deposit Report and reconcile actual monies to be deposited with the Deposit Report total. If the monies to be deposited do not agree with the Deposit Report total, the Bookkeeper should review initial collection documents and amounts officially receipted...Shortages and Overages on a regular basis indicate a weakness or failure to follow procedures established for verifying collection documents with monies.”

Standard Practice Bulletin I-414 Credit/Debit Card Acceptance Section IV. states “School Collector Responsibilities (On-Campus Payments)

At the end of each day, the School Collector will:

- A. Accept and process credit cards received from students/parents. Each transaction produces a receipt that the collector issues to the student/parent.
- B. Obtain daily reports that include totals from the system/register/terminal for Credit cards, Electronic checks and Cash.”

Section V.B. Bookkeepers Responsibilities states “Upon daily receipt of transaction documentation, the Bookkeeper will review, enter and post the information into the computerized Internal Accounts system.

C. Once the checking account bank statement is received, the Bookkeeper will reconcile daily deposit reports with credit card amounts deposited per the bank statement. If amounts are different, then adjustments must be made to account for the actual amount deposited.”

We recommend the Principal review Standard Practice Bulletins I-303 and I-414 with the Bookkeeper and ensure she follows the proper accounting procedures.

Late Remittances

For FY 2011, we found \$700 was initially collected and officially receipted with RCT#5063 on May 12, 2011 and then was voided. On June 2, 2011 the funds were officially receipted again with RCT# 5182 and deposited to the bank. This remittance was made fourteen (14) days late.

For FY 2013, the auditor noted \$200 had not been officially receipted on February 20, 2013. The bookkeeper stated she found the monies. We found she officially receipted the funds on February 21, 2013. The funds which were initially collected on BC-40P receipts dated January 22, 2013 were officially receipted twenty-one (21) days late.

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.”

We recommend the Principal review the requirements of Standard Practice Bulletin I-302 with the bookkeeper to ensure all collections are officially receipted timely.

Missing Receipting Documents

During our examination of receipting documents for March 14 through May 25, 2012, we noted Aftercare credit card documentation and one (1) monies collection envelope were missing.

School Board Policy 6301 Collectons of Monies states “The Principal shall be responsible for all monies collected and deposited within his/her school; and for maintaining an accurate record as to whom departmental receipt books, monies collection envelopes, ticket sales reports, cash reports, etc. are issued.”

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. Loss of a document may result in the school receiving audit exceptions.”

Standard Practice Bulletin I-404 Certificate of Loss Section I. “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 the Principal review School Board Policy 6301, Standard Practice Bulletins I-302 and I-404 with staff, and ensure the school's pre-numbered receipting documents and After care credit card receipts are safeguarded and retained for audit. A Certificate of Loss should also be prepared explaining the details of the loss.

Lockbox

During our audit, we found \$835 was missing from the lockbox. We have included the \$835 in the Missing Funds finding.

The bookkeeper stated "she had no idea the funds had never been officially receipted since the Aftercare department had two books that they were using to initially receipt funds collected. She put the second book away without looking at it to verify if any funds were collected and everyone at the school had the code to the lockbox."

A new lockbox was purchased at the time of the audit and the old lockbox was given to the PTA to use. A Certificate of Loss form was completed at the time of the audit and the school notified the Hallandale Police of the \$835 loss.

Standard Practice Bulletin I-302 Cash Collections Section I. I. states "Bookkeeper will count the money in the collector's presence and issue an official computerized receipt."

Section II.B.1. states "Bookkeeper will always verify collection amounts receipted in the BC-40P book and count the monies."

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."

Standard Practice Bulletin I-404 Certificate of Loss Section I states "When any person is unable to account for all items issued to them...a Certificate of Loss Form must be completed explaining the particulars of the loss."

Standard Practice Bulletin I-454 Accounting for BASCC Section II.E. states "A safe should be made available to the child care collector where possible. All cash received by the collector should be placed in the safe, if available or in a locked cabinet until they are transferred to the bookkeeper (no later than the next school day)."

Section II. G.2 Fee Collections states " The bookkeeper: b. Verifies that checks receipted equal amounts posted and automatically deposited and that cash remitted equals BC-40P receipts. If the monies and receipt amounts do not equal, the collector should be notified before any official receipting is done. c. If a loss of funds should occur, the bookkeeper, or designee, will only issue a receipt for the amount of funds being remitted. A detailed explanation (Certificate of Loss Form - Exhibit 11 signed by the principal) must be attached to the inside cover of the receipt book."

We recommend the Principal:

- a. Review Standard Practice Bullentins I-302, I-404 and I-454 with the bookkeeper
- b. Ensure the bookkeeper always verifies the collection amounts receipted in the BC-409 book
- c. Ensure the bookkeeper does not have the code to the lockbox, as the initial collector should open the box and present the funds to the Bookkeeper.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

HALLANDALE ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2010 - 2011

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 1,398.30	\$ 14,003.00	\$ 15,400.74	\$ 0.56
Clubs	2,320.75	397.85	1,333.94	1,384.66
Department	936.70	565.90	375.38	1,127.22
Trusts	763.77	177,299.17	178,062.94	0.00
General	<u>1,505.35</u>	<u>5,612.40</u>	<u>6,254.74</u>	<u>863.01</u>
TOTALS	<u><u>\$ 6,924.87</u></u>	<u><u>\$ 197,878.32</u></u>	<u><u>\$ 201,427.74</u></u>	<u><u>\$ 3,375.45</u></u>

HALLANDALE ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2011 - 2012

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 0.56	\$ 12,461.15	\$ 11,926.35	\$ 535.36
Clubs	1,384.66	867.41	615.00	1,637.07
Department	1,127.22	7,584.04	7,116.11	1,595.15
Trusts	0.00	198,856.21	198,856.21	0.00
General	863.01	2,875.51	1,363.57	2,374.95
TOTALS	<u>\$ 3,375.45</u>	<u>\$ 222,644.32</u>	<u>\$ 219,877.24</u>	<u>\$ 6,142.53</u>

HALLANDALE ELEMENTARY SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2012 - 2013

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Classes	\$ 535.36	\$ 35,134.50	\$ 33,634.26	\$ 2,035.60
Clubs	1,637.07	2,512.41	2,893.73	1,255.75
Department	1,595.15	9,352.71	6,711.02	4,236.84
Trusts	0.00	196,890.36	196,890.36	0.00
General	<u>2,374.95</u>	<u>4,135.04</u>	<u>4,202.48</u>	<u>2,307.51</u>
TOTALS	<u>\$ 6,142.53</u>	<u>\$ 248,025.02</u>	<u>\$ 244,331.85</u>	<u>\$ 9,835.70</u>

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

**DESMOND K. BLACKBURN, Ph.D.
CHIEF SCHOOL PERFORMANCE AND ACCOUNTABILITY OFFICER**

Telephone: 754-321-3838

Facsimile: 754-321-3886

October 29, 2013

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

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

**SUBJECT: INTERNAL FUNDS AUDIT RESPONSE
HALLANDALE ELEMENTARY SCHOOL**

The Office of School Performance and Accountability has reviewed the audit findings for Hallandale Elementary School. These audit findings have been discussed with the Principal, Leena Itty, and she has taken full responsibility to implement deliberate steps to ensure exception-free internal audits in the future. The Office of School Performance and Accountability will monitor the school's progress and hold the Principal appropriately accountable should future audit exceptions occur.

If additional information is needed, please let me know.

DKB/IBH:syd

cc: Jacquelyn B. Haywood, Director, Office of School Performance and Accountability
Nell Johnson, Director, Business Support Center
Leena Itty, Principal, Hallandale Elementary School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

HALLANDALE ELEMENTARY SCHOOL
Leena R. Itty, Principal
Anthony Dorsett, Assistant Principal
900 SW 8th Street
Hallandale Beach, FL 33009
754-323-5950
754-323-5990 FAX

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Robert W. Runcie
Superintendent of Schools

October 28, 2013

To: Jacquelyn Haywood, Director
Office of School Performance & Accountability

From: Leena Itty, Principal 
Hallandale Elementary School

Subject: Audit Report on Internal Accounts
Fiscal Years 2011, 2012, 2013

I was appointed principal of Hallandale Elementary School effective July 1, 2013. On August 28, 2013, I participated in a pre-exit conference with the Auditor and the Director of Auditing regarding the audit findings for FY2011, FY2012, and FY2013. Please note the procedures and plans listed below to ensure that sound and effective business practices are in place for the future in accordance with the SBBC Standards Practice Bulletin.

- As a result of the conference and the monies, which were unaccounted for, a written request was sent to the Broward District Schools Police requesting an investigation concerning the missing funds. On September 3, 2013, the bookkeeper was placed on administrative reassignment, pending the outcome of a personnel investigation.
- I joined the Business Support Center on September 16, 2013 to ensure that we adhere to the policies and procedures set forth by the School Board and the Standard Practice Bulletins, which establishes the system of internal controls designed by the District administration.
- Training was provided to personnel by the Business Support Center to ensure that appropriate procedures on collecting, receipting, and reporting of monies for Afterschool Child Care, fundraisers and field trips are followed.
- Afterschool Child Care money collection spreadsheets are submitted to the Business Support Center regularly, in addition, a copy is kept at the school.
- Separate lockboxes are kept for Afterschool Child care and field trip monies collected.

As the new principal, I will implement processes and procedures to ensure that we are following all of the School Board's Policies and the Standards Practice Bulletins as it relates to the internal accounts at my school.

LANIER-JAMES EDUCATION CENTER
AUDIT REPORT
FOR THE 2010-11, 2011-12 AND 2012-13 FISCAL YEARS
JULY 1, 2010 THROUGH JUNE 30, 2013

PROFILE OF THE SCHOOL

Address: 1050 NW 7th Court, Hallandale, Florida 33009

Principal: Kelvin P. Lee

Bookkeeper: Raye Smith

Payroll Processor: Tami Taylor

CASH AND INVESTMENT SUMMARY

	<u>6/30/11</u>	<u>6/30/12</u>	<u>6/30/13</u>
Checking Account – Wells Fargo	\$ <u>3,428.39</u>	\$ <u>3,392.54</u>	\$ <u>3,244.20</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statements of Lanier-James Education Center for the 2010-11, 2011-12 and 2012-13 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 2010-11, 2011-12 and 2012-13 fiscal years, 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. Receipting Procedures

During our examination of receipting procedures, we noted:

- a. One (1) BC-40P receipt in the amount of \$20 did not agree with the official receipt number (#131) documented on the cover of the BC-40P receipt book or the amount officially receipted by the bookkeeper in the Great Plains Accounting system. Official receipt #131 was traced to two (2) check deposits totaling \$50. The \$20 collection could not be traced to the General Ledger or a Bank Deposit Posting Journal.
- b. The aggregate of twelve (12) BC-40P receipts did not agree with the amount officially receipted by the bookkeeper or the amount documented on the cover of the BC-40P receipt book. Evidence revealed a \$25 discrepancy for which the auditor could not determine if there was a shortage in collections or if the BC-40P receipt in question should have been voided. The BC-40P receipt did not include a student name/payee, date or the school name, but did include a dollar amount and the signature of the collector.
- c. The "For Bookkeeper's Use Only" section of BC-40P receipt books was not completed by the bookkeeper. The covers of BC-40P receipt books were updated during the audit at the auditor's request.
- d. The green copies (teacher/sponsor copy) of BC-40P receipts were not returned to the teacher/sponsor.

Standard Practice Bulletin I-101 General Policy Section III.A. states "The bookkeeper will be delegated responsibility for verifying collections, officially receipting, reconciling and preparing bank deposits for funds being collected by staff or sponsors."

Standard Practice Bulletin I-302 Cash Collections Section I.B. states "The Principal shall be responsible for all monies collected and deposited within his/her school; and for maintaining an accurate record as to whom departmental receipt books, monies collection envelopes, ticket sales reports, cash reports, etc. are issued."

Section II. B.1. Receipting document description and use by initial receptors states

- c. "All receipts must be completed in ink including the following information:
- Collection Date
 - Full name of payer
 - Dollar amount of collection
 - Signature of Collector (Not Initials)
 - Complete description of purpose of collection
- d. Receipts must not be altered ("white out" use is strictly prohibited) if an error occurs:
- Write "VOID" across the receipt
 - Staple all copies (white, green, and yellow) in the book. Do not remove from the book.
 - Issue a new BC-40P receipt."
- g. Bookkeeper will count the monies in the presence of the collector, verify collection amounts receipted in the BC-40P book, issue an official receipt from the computer and complete the bookkeeper's area on front of the receipt book."
- h. Bookkeeper will return green copies of the BC-40P receipts with the official receipt to the depositor (along with the book if additional collections are to be made). When collections are finished, collector will initial BC-40P log showing the return of the book to the bookkeeper's possession for audit."

Standard Practice Bulletin I-404 Certificate of Loss Section I.A. 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.

- A. 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.
- B. The Certificate of Loss must be presented to the School Principal for his/her signature and any action deemed appropriate.
- C. The Certificate of Loss must be retained for audit.
- D. It is recommended a copy of the completed Certificate of Loss be attached to or included with any initial receipting document (Monies Collection Envelope; BC-40P Receipt Book, etc.)."

We recommend the Principal review the requirements of Standard Practice Bulletins I-101, I-302 and I-404 with staff and ensure:

1. The bookkeeper verifies all figures for accuracy when receipting, posting and depositing collections.
2. A Certificate of Loss is completed by staff when staff is unable to account for monies collected/receipted, but not deposited.
3. All voided receipts are properly documented as a void.
4. All BC-40P receipts include the student/payee name, collection date, dollar amount of collection, and school name.
5. The "For Bookkeeper's Use Only" section of BC-40P receipt books are accurately updated by the bookkeeper at the time of official receipting.
6. The green copies of BC-40P receipts are returned to teachers/sponsors.

2. Fundraising Activities

During our analysis of fundraising activities/merchandising sales, we noted:

- a. In FY 2013, the school participated in a school zone Harvest Drive (fundraiser) to aid needy families. Sales from the school's car wash and breakfast fundraisers were neither receipted nor posted to the school internal accounts prior to disbursement. In addition, cash collections were not receipted using any of the School Board approved receipting documents (Monies Collection Envelope, BC-40P receipt book or pre-numbered tickets). Furthermore, neither a Financial Report nor a Report of Tickets Sold was used to account for sales. Cash collections totaling \$331 were given to the school social worker for remittance to the host school. A signed letter acknowledging the receipt of funds from the school's social worker to another colleague was provided.
- b. For FY 2011 and 2012, we noted neither a Report of Tickets Sold nor a Financial Report was completed in an effort to document ticket sales for the school alumni talent show. As a result, the accuracy of ticket sales could not be determined.

Standard Practice Bulletin I-101 General Policy Section III.A. states "The bookkeeper will be delegated responsibility for verifying collections, officially receipting, reconciling and preparing bank deposits for funds being collected by staff or sponsors."

Standard Practice Bulletin I-302 Cash Collections Section I.A. 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."

Section I.B. states “The Principal shall be responsible for all monies collected and deposited within his/her school; and for maintaining an accurate record as to whom departmental receipt books, monies collection envelopes, ticket sales reports, cash reports, etc. are issued.”

Section I.H. states “Disbursements (purchases, payments, etc.) must never be made from cash collections.”

Section I.I states “Bookkeeper will count the money in the collector’s presence and issue an official computerized receipt printed on the required receipt form.”

Section II. A. states “Monies coming into the custody of a School Board employee must be receipted using one of the following receipting instruments:

- Departmental Receipt (BC-40P)
- Monies Collection Envelope
- Pre-numbered Tickets
- Computerized Official Receipt”

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 II.A.8. states “The school bookkeeper will issue an official receipt each time fundraising monies are turned in with the Monies Collection Envelope.”

Section II.A.9. states “Sponsors must retain the receipts issued by the School Bookkeeper. The receipts can be used in completing the Fundraising Financial Report or Statement of Revenue and Expenditures.”

Section II.A.10. states “Ten days after the conclusion of the sale, the Financial Report, Student Activity Operating Report, will be submitted to the Assistant Principal for his/her initials in determining whether the report has been submitted in a timely manner, as established on the Project Approval Form. The sponsor will then submit the signed Financial Report to the bookkeeper who will enter the date that the report was received and have the sponsor initial the Project Log. The Financial Report, Student Activity Operating Report, and Project Log will be retained for audit.”

Section III.A.4. states “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.)”

Section III.A.5. states “The Principal is required to sign the Financial Report.”

Section III.A.6. states “School Bookkeeper will retain the Financial Report for audit along with any applicable information.”

Standard Practice Bulletin I-403 Admission Tickets/Ticket Report Section II.B. states “Bookkeeper will complete the Perpetual Ticket Inventory Sheet each time tickets are issued to a seller for a non-athletic event (drama production, dance, etc.).”

Section III. states “Accounting For Tickets:

- A. The Perpetual Ticket Inventory Sheet must be initiated upon the 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 destroyed.
- B. It is strongly recommended all Perpetual Ticket Inventory Sheets be placed and stored in a binder and kept in the School Bookkeeper’s office at the end of the school year.
- C. The School Bookkeeper will be responsible for maintaining the non-athletic preprinted, prenumbered Perpetual Ticket Inventory Sheets.
- F. At year end, the School Bookkeeper will complete the Pre-numbered Ticket Inventory as part of the year-end closing requirements.”

Section V. states “Report of Tickets Sold:

- A. A Report of Tickets Sold (Exhibit 3) must be completed every time tickets are used even if money is not collected.
- B. The School Bookkeeper will issue the Report #. It is advisable to distinguish between Athletic Ticket Reports and non-athletic Ticket Reports by the report number.
- C. The Report of Tickets Sold is to be completed by the sponsor/Athletic Director responsible for the activity.
- E. The School Bookkeeper must receipt the collections and reference the official receipt number to the ticket report and the ticket report number.”

We recommend the Principal review the requirements of Standard Practice Bulletins I-101, I-302, I-402 and I-403 with staff and ensure:

1. All monies collected or disbursed by school personnel and/or students within a school are recorded in the school’s internal fund accounts.
2. Monies coming into the custody of a School Board employee are receipted using one of the following receipting instruments: Monies Collection Envelope, BC-40P receipt book or Pre-numbered tickets.

3. Pre-Numbered Ticket Inventory Reports, Reports of Tickets Sold, and Perpetual Ticket Inventory Reports are completed to account for all tickets received and sold.
4. Merchandising/fundraising sales are accurately documented on Financial Reports with amounts verified to fund account information, supporting sales documentation and vendor invoices/receipts.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

LANIER-JAMES EDUCATION CENTER

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2010 - 2011

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Clubs	\$ 421.76	\$ 816.01	\$ 224.56	\$ 1,013.21
Department	19.50	0.00	0.00	19.50
Trusts	1,901.76	3,262.00	2,945.86	2,217.90
General	<u>139.28</u>	<u>39.07</u>	<u>0.57</u>	<u>177.78</u>
TOTALS	<u><u>\$ 2,482.30</u></u>	<u><u>\$ 4,117.08</u></u>	<u><u>\$ 3,170.99</u></u>	<u><u>\$ 3,428.39</u></u>

LANIER-JAMES EDUCATION CENTER

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2011 - 2012

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Clubs	\$ 1,013.21	\$ 0.00	\$ 320.23	\$ 692.98
Department	19.50	0.00	0.00	19.50
Trusts	2,217.90	3,417.00	3,132.62	2,502.28
General	<u>177.78</u>	<u>0.00</u>	<u>0.00</u>	<u>177.78</u>
TOTALS	<u>\$ 3,428.39</u>	<u>\$ 3,417.00</u>	<u>\$ 3,452.85</u>	<u>\$ 3,392.54</u>

LANIER-JAMES EDUCATION CENTER

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2012 - 2013

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Clubs	\$ 692.98	\$ 611.77	\$ 692.36	\$ 612.39
Department	19.50	0.00	0.00	19.50
Trusts	2,502.28	2,498.60	2,649.43	2,351.45
General	<u>177.78</u>	<u>101.62</u>	<u>18.54</u>	<u>260.86</u>
TOTALS	<u>\$ 3,392.54</u>	<u>\$ 3,211.99</u>	<u>\$ 3,360.33</u>	<u>\$ 3,244.20</u>

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
DESMOND K. BLACKBURN, Ph.D.
CHIEF SCHOOL PERFORMANCE AND ACCOUNTABILITY OFFICER**

Telephone: (754) 321-3838

Facsimile: (754) 321-3886

December 6, 2013

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

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

**SUBJECT: INTERNAL FUNDS AUDIT RESPONSE – LANIER-JAMES EDUCATION
CENTER FOR 2011, 2012 AND 2013**

The Office of School Performance and Accountability has reviewed the audit findings for Lanier-James Education Center. These audit findings have been discussed with the Principal, Kelvin Lee, and he has taken full responsibility to implement deliberate steps to ensure exception-free internal audits in the future. The Office of School Performance and Accountability will monitor the school's progress and hold the Principal appropriately accountable should future audit exceptions occur.

If additional information is needed, please let me know.

DKB/VSW:smr

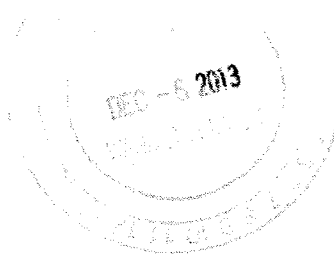
cc: Dr. Valerie S. Wanza, Director, Office of School Performance and Accountability
Nell Johnson, Director, Business Support Center
Kelvin Lee, Principal, Lanier-James Education Center



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

LANIER-JAMES EDUCATION CENTER
"A 2006 Broward School of Distinction"

Kelvin P. Lee, Principal
Brown Abraham, Assistant Principal
1050 Northwest 7th Court
Hallandale Beach, Florida 33009
Telephone (754) 321-7350
Facsimile (754) 321-7390



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Superintendent of Schools

November 21, 2013

TO: Dr. Valerie Wanza, Director
School Performance and Accountability

FROM: Kelvin P. Lee, Principal *KPL*

SUBJECT: **RESPONSE TO INTERNAL ACCOUNTS AUDIT REPORT, FY 2011, 2012 AND 2013**

Please accept this letter as a response to the audit exceptions on our audit report. Below is my corrective action plan to ensure that Lanier-James has exception free audits in the future.

Receipt Procedures

The principal met with the bookkeeper and office manager to review proper receipting procedures and to review Standard Practice Bulletins I-101, I-302 and I-404. The principal has developed procedures to ensure that all receipts are documented properly and checked to verify that the correct amount of money is being receipted. The principal will monitor to make sure that the bookkeeper counts and receipt all collections at the time they are received and that the green copies are returned to the teacher/sponsor at the time of receipting.

Fund Raising

The principal met with the bookkeeper and office manager to discuss fundraising procedures and to review Standard Practice Bulletins I-101, I-302, I-402 and I-403. In the future, a "Report of Tickets Sold" and/or a "Financial Report" will be completed to document all ticket sales. The Bookkeeper will create a checklist of procedures to ensure proper collection, posting and documenting of fundraising activities. The principal will sign off on each checklist following fundraising events. Also, an account has been established to receipt all donations that are received for all fundraisers, including "Harvest Drive".

KL:trt

PLANTATION HIGH SCHOOL
 AUDIT REPORT
 FOR THE 2010-11, 2011-12 AND 2012-13 FISCAL YEARS
 JULY 1, 2010 THROUGH JUNE 30, 2013

PROFILE OF THE SCHOOL

Address: 6901 NW 16th Street, Plantation, Florida 33313

Principal: Alona DiPaolo (July 2013 to current)

Principal during Audit Period: Susan Bruining (July 2010 to June 2013, Retired)

Bookkeeper: Robin Sabourin

Payroll Processors: Lystra Bhagan
 Angela St. Flubert
 Mari Anne McDonnell

CASH AND INVESTMENT SUMMARY

	<u>6/30/11</u>	<u>6/30/12</u>	<u>6/30/13</u>
Cash Account:			
Checking Account – Wells Fargo	\$ 57,773.86	\$ 17,993.15	\$ 53,973.35
Investment:			
Treasurer’s Pool Account	<u>215,000.00</u>	<u>150,000.00</u>	<u>80,000.00</u>
TOTAL	\$ <u>272,773.86</u>	\$ <u>167,993.15</u>	\$ <u>133,973.35</u>

In accordance with the State Board of Education Rule 6A-1.087(2), Florida Administrative Code, we have audited the financial statements of Plantation High School for the 2010-11, 2011-12 and 2012-13 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 2010-11, 2011-12 and 2012-13 fiscal years, 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

Negative Balance

A negative balance of (\$31,829.54) remained in the Athletics Account (1000-0000) at year end 2013. Although the account was cleared from the General Account (7025-0000), for FY 2011 and 2012, a transfer in the year FY 2013 would have depleted all funds in the General account.

Standard Practice Bulletin I-201 Athletics Section B.1. states "DISBURSEMENTS-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."

Standard Practice Bulletin I-305 Cash Disbursements Section I.D. states "Disbursements from Internal Accounts shall not exceed the resources of the applicable account EXCEPT for items acquired for resale or items authorized by the School Board."

Standard Practice Bulletin I-317 Year End Closing and Financial Reports Section A.3 states "Negative Fund balances MUST be cleared prior to the closing date."

We recommend the current Principal ensure the following is done to clear the account:

1. Fundraisers should be conducted to help clear the account before making any more purchases.
2. Allocate some of the monies from vending commissions to help offset the negative balance.
3. Avoid making any purchases from the Athletics account unless monies are raised specifically for that particular purpose.

OTHER COMMENTS

Payroll

The school generally adhered to the payroll procedures.

PLANTATION HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2010 - 2011

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 0.00	\$ 92,448.00	\$ 92,448.00	\$ 0.00
Music	331.64	8,722.99	8,834.04	220.59
Classes	20,661.82	112,154.04	111,213.16	21,602.70
Clubs	92,107.80	258,151.26	286,933.31	63,325.75
Departments	13,931.70	12,930.82	15,248.24	11,614.28
Trusts	45,487.15	55,745.20	66,721.95	34,510.40
General	<u>142,138.78</u>	<u>131,093.08</u>	<u>131,731.72</u>	<u>141,500.14</u>
TOTALS	<u><u>\$ 314,658.89</u></u>	<u><u>\$ 671,245.39</u></u>	<u><u>\$ 713,130.42</u></u>	<u><u>\$ 272,773.86</u></u>

PLANTATION HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2011 - 2012

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 0.00	\$ 46,232.56	\$ 46,232.56	\$ 0.00
Music	220.59	42,027.32	42,022.44	225.47
Classes	21,602.70	125,395.86	118,585.23	28,413.33
Clubs	63,325.75	302,907.82	301,982.01	64,251.56
Departments	11,614.28	17,725.28	15,351.32	13,988.24
Trusts	34,510.40	46,000.94	49,189.58	31,321.76
General	<u>141,500.14</u>	<u>44,188.51</u>	<u>155,895.86</u>	<u>29,792.79</u>
TOTALS	<u><u>\$ 272,773.86</u></u>	<u><u>\$ 624,478.29</u></u>	<u><u>\$ 729,259.00</u></u>	<u><u>\$ 167,993.15</u></u>

PLANTATION HIGH SCHOOL

STATEMENT OF CHANGES IN FUND BALANCES (CASH BASIS)

2012 - 2013

FUND	BEGINNING BALANCES	RECEIPTS	DISBURSE- MENTS	ENDING BALANCES
Athletics	\$ 0.00	\$ 32,687.91	\$ 64,517.45	\$ (31,829.54)
Music	225.47	7,316.25	6,488.57	1,053.15
Classes	28,413.33	85,558.20	87,257.18	26,714.35
Clubs	64,251.56	274,811.91	272,306.07	66,757.40
Departments	13,988.24	10,153.84	9,741.76	14,400.32
Trusts	31,321.76	37,416.42	38,115.14	30,623.04
General	<u>29,792.79</u>	<u>82,203.64</u>	<u>85,741.80</u>	<u>26,254.63</u>
TOTALS	<u>\$ 167,993.15</u>	<u>\$ 530,148.17</u>	<u>\$ 564,167.97</u>	<u>\$ 133,973.35</u>

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
DESMOND K. BLACKBURN, Ph.D.
CHIEF SCHOOL PERFORMANCE AND ACCOUNTABILITY OFFICER**

Telephone: (754) 321-3838

Facsimile: (754) 321-3886

November 23, 2013

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

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

SUBJECT: **AUDIT RESPONSE ON INTERNAL ACCOUNTS
FISCAL YEARS 2011, 2012 & 2013 – PLANTATION HIGH SCHOOL**

The Office of School Performance and Accountability has reviewed the Internal Accounts Fiscal Years 2011-2013 audit findings for Plantation High School. These audit findings have been discussed with the Principal, Alona DiPaolo, and she has taken full responsibility to implement deliberate steps to ensure exception-free Internal audits in the future. The Office of School Performance and Accountability will monitor the school's progress and hold the Principal appropriately accountable should future audit exceptions occur.

If additional information is needed, please let me know.

DKB/AS:gb

cc: Nell Johnson, Director, Business Support Center
Alan Strauss, Director, Office of School Performance and Accountability
Alona DiPaolo, Principal, Plantation High School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Plantation High School
Alona DiPaolo, Principal
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Plantation, Florida 33313
Phone: (561) 322-1850 Facsimile: (561) 322-1980

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Superintendent of Schools

Date: November 20, 2013

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

From: Alona DiPaolo, Principal
Plantation High School

Subject: **Audit Response on Internal Accounts
Fiscal Years 2011, 2012, & 2013**

This memorandum is a response to the Audit Report on Internal Accounts that was conducted at Plantation High School during the fall of 2013.

Processes and Procedures

- A negative balance of \$31,829.54 remained in the Athletics Account at the end of the 2013 school year. Since the audit there are currently processes in place to ensure that the negative balance gets cleared. The processes in place are:
 - Monies received from vending or other fundraising events will be placed towards the negative account.
 - Purchases from the athletics account will not be made unless monies are raised specifically for that particular purpose.
 - Based on the findings, the process for the bookkeeper is that everything must be approved by the principal prior to making any purchases. This has resulted in lowering the negative balance in the athletic account to below \$15,000.

Since my arrival at Plantation High School in July 2013, I have been working to create a culture of accountability.

If you have any questions please call me.

Alona DiPaolo, Principal

Plantation High School