

Management and Accountability  
Carol Cortes, Deputy Superintendent

**SUBJECT: INTERNAL AUDIT REPORT - REVIEW OF THE DISTRICT'S E-RATE PROGRAM,  
MAY 2000**

In accordance with the Audit Plan for the 1999-2000 Fiscal Year, the Office of Management and Compliance Audits has performed a review of the school system's E-rate program. Our review covered the period from January 1998 to May 2000. The objectives of this review were to determine if the Office of Information Technology is properly administrating the program, and whether there is an adequate internal control environment for the program that is conducive to safeguarding the District's assets, preserving its resources, and complying with applicable laws, rules, and regulations.

The review concluded that the Office of Information Technology has performed commendably in this area. It has established an internal control environment that is conducive to safeguarding the district's assets and complying with applicable laws, rules, and regulations. Its efforts have resulted in the district obtaining additional funding to reduce recurring telecommunications charges, supply telecommunications services, provide internal connections and establish Internet access at the schools through the Wide Area Network (WAN). These efforts have resulted in funding of over \$10 million for these services. Additional accrual and E-rate funding requests for years two and three total approximately \$24 million. The discounts received on a per school basis have been between 40-90 percent of the approved costs.

In accordance with the procedures for the Office of Management and Compliance Audits, the Internal Audit Report - Review of the District's E-rate Program, May 2000 is submitted to the School Board. The School Board Audit Committee reviewed the audit report at its June 27, 2000 meeting and will submit its recommendations to the School Board and the Superintendent of Schools by July 12, 2000.

Copies of this report will be distributed to Board Members, the Superintendent of Schools, and appropriate district staff and will be placed on file in the Office of the Recording Secretary to the School Board and in the Citizen Information Center.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida, receive and file the Internal Audit Report -Review of the District's E-rate Program, May 2000, presented by the Office of Management and Compliance Audits.