

Management and Accountability
Carol Cortes, Deputy Superintendent

**SUBJECT: INTERNAL AUDIT REPORT - REVIEW OF THE ACCOUNTS PAYABLE
FUNCTION, JUNE 2001, PRESENTED BY THE OFFICE OF MANAGEMENT
AND COMPLIANCE AUDITS**

In accordance with the Audit Plan for the 2000-01 fiscal year, the Office of Management and Compliance Audits has performed a review of the District's accounts payable function administered by the Department of Accounts Payable under the Office of the Controller of Financial Affairs. The primary objectives of this review were to ascertain that the District's payment function is organized and executed based on the applicable State laws and Board rules and that the control environment provides assurances that only authorized purchases of goods and services that have been received are paid for. A consulting firm performed a specialized electronic review of over 183,000 invoices paid during the 1999-2000 fiscal year totaling approximately \$752 million and concluded that over 99.99% of the disbursements were processed correctly. The control environment for accounts payable is adequate and the function is operating accurately. There were some recommendations, particularly related to the need for further automation to reduce the paperwork, that the administration has agreed to address.

In accordance with the procedures for the Office of Management and Compliance Audits, the Internal Audit Report - Review of the Accounts Payable Function, June 2001 is submitted to the School Board. The School Board Audit Committee will review the audit report at its July 10, 2001 meeting and will submit its recommendations to the School Board and the Superintendent of Schools thereafter.

Copies of this report will be distributed to School 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 Accounts Payable Function, June 2001, presented by the Office of Management and Compliance Audits.