

Paul R. Philip, Chief of Staff

**SUBJECT: INTERNAL AUDIT REPORT – AUDIT OF THE INTERNAL FUNDS OF
SELECTED SCHOOLS AND CENTERS, JANUARY 2003, PRESENTED
BY THE OFFICE OF MANAGEMENT AND COMPLIANCE AUDITS**

In accordance with the Audit Plan for the 2002-03 Fiscal Year, the Office of Management and Compliance Audits has completed the audits of the internal funds of selected schools and centers. The audits at the ten schools/centers included a review of the internal funds, property, and payroll records. Pell Grant/SEOG Programs' procedures were reviewed at two centers. Community School Program records were reviewed at schools having the program. The audits indicated that six of the ten schools/centers in this report were in compliance with prescribed policies and procedures and their internal funds and payroll records were maintained in good order. There were serious audit exceptions at two schools and several findings at one center. The review of the Procurement Credit Card Program at seven of the nine schools showed that they were in compliance with the prescribed policies and procedures. Food service records and procedures at one school showed that the school was not in compliance with established procedures. Property reported missing through the physical inventory and Plant Security Report process was significant at two schools. The following audits are included in this report:

Region IV Schools

Frederick Douglass Elementary
Horace Mann Middle School

Alternative Education Centers

Academy for Community Education
Corporate Academy South
JRE Lee Opportunity School

Adult/Vocational Education Centers

Lindsey Hopkins Technical Education Center
The English Center
Robert Morgan Educational Center

Specialized Education Centers

Citrus Grove Occupational Training Center
Merrick Educational Center

When applicable, a conference is held with the principal and the appropriate region director to discuss each audit exception and recommendation noted in the draft of the audit report. The principal is required to write a response to each exception specifying what corrective action(s) will be implemented to prevent its recurrence. The response from the principal is submitted for review to the region office and then to School Operations. If considered appropriate, the response is forwarded to the Office of Management and Compliance Audits, which also reviews it to assure corrective action, was or will be taken, and inclusion with the audit report.

In accordance with the procedures for the Office of Management and Compliance Audits, the Internal Audit Report – Audit of the Internal Funds of Selected Schools and Centers, January 2003 is submitted to the School Board. The School Board Audit Committee reviewed the audit report at its January 28, 2003 meeting and will submit its recommendations to the School Board and the Superintendent of Schools by February 7, 2003.

Copies of this report will be distributed to Board Members, the Superintendent of Schools, and region and 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 – Audit of the Internal Funds of Selected Schools and Centers, January 2003, presented by the Office of Management and Compliance Audits.