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Office of Management and Compliance Audits

SUBJECT: AUDITOR GENERAL OF THE STATE OF FLORIDA'S REPORT NO. 2005-028, REPORT ON SIGNIFICANT FINDINGS AND FINANCIAL TRENDS IN AUDITS OF DISTRICT SCHOOL BOARDS, FOR THE FISCAL YEAR ENDED JUNE 30, 2003, PRESENTED BY THE OFFICE OF MANAGEMENT AND COMPLIANCE AUDITS

The above-mentioned audit report by the Auditor General of the State of Florida has been received. This report provides a Summary of Significant Findings and Financial Trends identified in the audits of the 67 district school boards. These financial audit reports were required to be filed with the Auditor General no later than June 30, 2003. None of the audits included a finding that was considered to have a material impact on the financial statements. All but three of the audit reports included audit findings addressing weaknesses in internal control or instances of noncompliance with applicable laws or rules. At June 30, 2003, school districts Statewide had an average level of unreserved fund balance in the general fund that was approximately 7.46 percent of general fund revenues (financial condition ratio). Twelve of the 67 districts had financial condition ratios that were less than 2.5 percent. M-DCPS ratio was 1.99 at June 30, 2003 (page 9); however, this ratio increased to 4.4 by June 30, 2004. None of the school districts was determined to be in a state of financial emergency.

The Auditor General provides that the report be received and filed at the next regularly scheduled School Board meeting, which in this case is November 17, 2004. The School Board Audit Committee reviewed this audit report at its October 26, 2004, and approved transmitting it to the School Board.

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 Auditor General of the State of Florida's Report No. 2005-028 – Report on Significant Findings and Financial Trends In Audits of District School Boards For the Fiscal Year Ended June 30, 2003, presented by the Office of Management and Compliance Audits.