

Office of Management and Compliance Audits
Allen M. Vann, Chief Auditor

SUBJECT: AUDITOR GENERAL OF THE STATE OF FLORIDA'S REPORT NO. 2005-054: MIAMI-DADE COUNTY DISTRICT SCHOOL BOARD, REPORT ON SIGNIFICANT FINDINGS AND FINANCIAL TRENDS DISCLOSED IN CHARTER SCHOOL AND CHARTER TECHNICAL CAREER CENTER AUDIT REPORTS, PREPARED BY INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS, FOR THE FISCAL YEAR ENDED JUNE 30, 2003, PRESENTED BY THE OFFICE OF MANAGEMENT AND COMPLIANCE AUDITS

This report provides a summary of the significant findings and financial trends identified statewide in 217 audit reports of charter schools that were submitted for the fiscal year ended June 30, 2003.

In its summary, the Auditor General's statewide report identified eight charter schools reporting internal control weaknesses that were considered material by the certified public accountants (CPAs) that audited those charter schools. The CPAs for eight charter schools included statements regarding the charter schools' ability to continue operations. None of these schools are in our School District. Also, many audit reports included findings not considered material by the CPAs, but which needed to be addressed by the appropriate charter schools. Sixty-two of the 217 charter schools ended the year with deficit unrestricted fund balances. Eight of these schools are in our District.

The Auditor General recommends in the report that the Legislature consider changes to the law requiring that CPAs notify the charter school governing board whenever their audit discloses a deficit financial position, and that those schools file a detailed financial recovery plan with the sponsoring district school board.

The report also includes the response by the Florida Department of Education detailing their actions to address charter school financial accountability issues.

G-9

The School Board Audit Committee has reviewed this audit report at its December 7, 2004 meeting, and upon its recommendation it will be transmitted to the School Board for its December 15, 2004 meeting.

Copies of this report have been 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. 2005-054: Miami-Dade County District School Board, Report On Significant Findings And Financial Trends Disclosed In Charter School And Charter Technical Career Center Audit Reports, Prepared By Independent Certified Public Accountants, For The Fiscal Year Ended June 30, 2003, presented by the Office of Management and Compliance Audits.

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