

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

**SUBJECT: AUDIT OF YEAR-END INVENTORIES TEXTBOOK SERVICES,
FOOD & NUTRITION, STORES AND MAIL DISTRIBUTION,
MAINTENANCE MATERIALS MANAGEMENT AND
TRANSPORTATION AS OF JUNE 30, 2007**

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

**LINK TO DISTRICT
STRATEGIC PLAN: ENSURE ADEQUATE AND EFFECTIVE INTERNAL
CONTROLS AND OPERATIONAL EFFICIENCY**

Our audit report presents the results of our observations, analysis and year-end counts of the inventories corresponding to Textbook and Inventory Services, the Department of Food and Nutrition, Stores and Mail Distribution, Maintenance and Materials Management, and the Department of Transportation.

We concluded that year-end inventories totaling \$22.4 million were fairly stated in the Annual Financial Report. A minor downward adjustment of approximately 1% of the total value of the inventory relating to processed food commodities was required. The adjustment was not material to the financial statements.

Results also disclosed that, although the control environment was satisfactory in certain areas, some of the processes involved in the inventory reconciliations of Food and Nutrition and Transportation departments could be improved. At Stores and Mail Distribution, although the inventory was accurately reported, the cycle count process could be improved. The inventories corresponding to Textbooks and Maintenance and Materials Management proved fully satisfactory.

The School Board Audit Committee will review this report at its December 11, 2007 meeting and will forward its recommendation to the School Board.

Copies of this report will be distributed and will be placed on file in the Office of the Recording Secretary to the School Board and in the Citizen Information Center. Additional copies will be provided upon request.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, receive and file the Audit of Year-End Inventories Textbook Services, Food & Nutrition, Stores and Mail Distribution, Maintenance Materials Management and Transportation as of June 30, 2007.