

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

SUBJECT: AUDIT OF YEAR-END INVENTORIES, TEXTBOOK INVENTORY SERVICES, FOOD & NUTRITION, STORES AND MAIL DISTRIBUTION, MAINTENANCE MATERIALS MANAGEMENT AND TRANSPORTATION AS OF JUNE 30, 2008

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 year-end inventories for 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 \$19.6 million were fairly stated in the Annual Financial Report. A minor accounting adjustment of approximately 2% of the total value of the inventory was required to ensure that the physical inventory balance agreed with the perpetual inventory balance. The adjustment was not material to the financial statements.

Results also disclosed that, although the internal controls were satisfactory in certain areas, some of the processes involved in the inventory reconciliations of the Department of Transportation could be improved. The inventories corresponding to the other areas proved fully satisfactory.

The School Board Audit Committee reviewed this report at its December 2, 2008 meeting and recommended transmitting it to the School Board.

Copies of this report were previously distributed and 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 Inventory Services, Food & Nutrition, Stores and Mail Distribution, Maintenance Materials Management and Transportation as of June 30, 2008.