

Jose F. Montes de Oca, Chief Auditor  
Office of Management and Compliance Audits

**SUBJECT: INTERNAL AUDIT REPORT- INVESTIGATION AND FORENSIC ACCOUNTING REVIEW OF A BILLING SCHEME TO DEFRAUD THE SCHOOL BOARD OF MIAMI-DADE COUNTY**

**COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS**

**LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY**

This report details our investigation and review performed at the request of the Superintendent and the Federal Bureau of Investigation. Our investigation uncovered that an employee of an M-DCPS vendor colluded with an employee of M-DCPS to inflate invoices and defraud the school system. The total amount defrauded to M-DCPS was \$198,307. The District's employee retired as a result of our findings. The United States District Court, Southern District of Florida sentenced the former employee to 21 months in federal prison and three years of probation. Part of the sentencing included restitution of the full amount to M-DCPS. We have been in contact with the School Board Attorney's Office to formally request that the Florida Retirement System reimburse M-DCPS the \$198,307 defrauded from the former employee's forfeited retirement account.

The School Board Audit Committee reviewed this report at its February 1, 2011 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 Internal Audit Report - Investigation and Forensic Accounting Review of a Billing Scheme to Defraud The School Board of Miami-Dade County.