

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

**SUBJECT: STATE OF FLORIDA AUDITOR GENERAL – FEDERAL SINGLE
AUDIT REPORT (IN ACCORDANCE WITH OMB CIRCULAR A-
133) OF MIAMI-DADE COUNTY DISTRICT SCHOOL BOARD
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

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

The Auditor General of the State of Florida has published the Federal Single Audit Report of Miami-Dade County District School Board for the fiscal year ended June 30, 2010. The audit, which encompasses both financial and compliance components, was performed to determine the District's adherence to the requirements described in the United States Office of Management and Budget (OMB) Circular A-133 applicable to each of its major federal programs. This is the third and final report issued by the Auditor General for the same period. The first report, the Comprehensive Annual Financial Report (CAFR), was presented to the School Board at its December 15, 2010 meeting as agenda item E-86 and the second report, the Operational Audit, was presented to the School Board at its April 13, 2011 meeting as agenda item E-91.

The external auditors reported that the School Board of Miami-Dade County prepared its financial statements in accordance with prescribed financial reporting standards. According to their opinion, there was no indication of any deficiencies in the District's internal control over financial reporting; and their tests of compliance did not disclose any material noncompliance with significant provisions of laws, regulations, contracts and grant agreements which could directly impact on the determination of financial statements amounts.

Major federal programs selected for audit represented approximately \$466 million in expenditures reported by the District during the 2009-10 Fiscal Year. Regarding compliance with requirements applicable to each major federal program and on internal control over compliance pursuant to OMB Circular A-133 requirements, the report contains an unqualified opinion for all major programs except for the Workforce Investment Act (WIA) Youth Activities program, which was qualified. According to the audit, the School Board did not comply with certain requirements regarding allowable costs for this program, as identified on page 8 of the report. These non-compliance issues resulted in questioned costs of approximately \$554,000, which represent approximately 0.12 percent of the audited expenditures. The opinion regarding the other major programs audited did not disclose any material weaknesses.

Although the District administration concurs that there is a need to correct those non-compliant issues identified in the findings cited in the report and is implementing the required correction, they are not in agreement with the finding regarding supplanting as it pertains to Improving Teacher Qualities.

The School Board Audit Committee reviewed this report at its May 17, 2011 meeting and recommended transmitting it to the School Board. The Audit Committee also requested that the Superintendent, in conjunction with the Office of Management and Compliance Audits, report back to the Committee in three to six months as to the status of implementing the Auditor General's recommendations, which the administration agreed to implement.

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 State of Florida Auditor General – Federal Single Audit Report (In Accordance With OMB Circular A-133) Of Miami-Dade County District School Board For The Fiscal Year Ended June 30, 2010.