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Office of Management and Compliance Audits

SUBJECT: STATE OF FLORIDA AUDITOR GENERAL REPORT NO. 2012-184 - MIAMI-DADE COUNTY DISTRICT SCHOOL BOARD FLORIDA EDUCATION FINANCE PROGRAM (FEFP) FULL-TIME EQUIVALENT (FTE) STUDENTS AND STUDENT TRANSPORTATION FOR THE FISCAL YEAR ENDED JUNE 30, 2011.

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

LINK TO DISTRICT STRATEGIC PLAN: FINANCIAL EFFICIENCY/STABILITY

The Auditor General reported that the Miami-Dade County District School Board generally complied with State requirements regarding the determination and reporting of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) and the number of students transported for the fiscal year ended June 30, 2011. However, as discussed in the report, there was material non-compliance regarding teacher certification requirements and student transportation.

Although the estimated gross dollar effect of the audit adjustments is a negative \$421,287, it is a noteworthy improvement from the negative \$535,655 and \$1.6 million adjustments received in the prior two audits, and points to a reversal in the trend of adjustments received by this district in previous years. In addition to this downward trend, the audit results are a clear portrayal of the improvements made at the school sites regarding general compliance with FTE recordkeeping and procedures.

In response to prior audit results, the District took action to improve FTE related business practices. These actions, which included the performance of internal audits at the school sites in the FTE area for the past five years, have provided management with recommendations for improvement. As demonstrated by the results of this audit, the implementation of these recommendations have again yielded positive results. Also, the adjustment compares favorably to adjustments for disallowances reported by the Auditor General for our neighboring school districts in Palm Beach and Broward. Although their student population and number of schools are considerably less than in Miami-Dade County, their reported disallowances during their most recent audits amounted to negative \$1.26 million and \$723,503, respectively.

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Out-of field teacher certification procedural issues comprised a majority of the findings. According to staff members from Information Technology Services and Instructional Certification, they are currently reviewing the process for reporting out-of-field teachers and considering various short-term and long-term solutions to ensure corrective action in this area. In addition to the specific corrective actions included in the report addressing the non-school site and school-site deficiencies, management from District/School Operations will further implement corrective action through continued training of principals and school-site staff in all affected areas. They will also conduct periodic monitoring of school site processes and documentation to strengthen controls, improve established practices, prevent errors, and increase the level of compliance.

The School Board Audit and Budget Advisory Committee reviewed this report at its September 11, 2012, 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.

JFM:mtg

RECOMMENDED: That The School Board of Miami-Dade County, Florida receive and file the State of Florida Auditor General Report No. 2012-184 Miami-Dade County District School Board Florida Education Finance Program (FEFP) Full-Time Equivalent (FTE) Students and Student Transportation For the Fiscal Year Ended June 30, 2011.