

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

**SUBJECT:           AUDIT OF DISTRICT'S SURPLUS EQUIPMENT AND VEHICLE  
AUCTIONS FOR FY 2014-2015**

**COMMITTEE:       FISCAL ACCOUNTABILITY**

**LINK TO STRATEGIC  
BLUEPRINT:           EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES**

This report presents the results of our audit of the District's surplus equipment and vehicle auction activities for fiscal year 2014-2015. The audit was initiated due to certain conditions being uncovered, namely the late deposit of auction proceeds, following our observation of the auction process.

Based on our observations of auction activities on November 1, 2014, and May 2, 2015, we concluded that overall auction proceedings were conducted in a safe and orderly manner. However, our post-auction review and examination of auction-related documents disclosed that unauthorized payments totaling \$24,000 were made to the Auctioneer during the last three fiscal years, funds collected after the auction were not deposited timely, and the information on auction activity reported to the School Board did not properly reflect all expenses.

During the audit, we discussed our preliminary findings with the appropriate District administrator, who promptly requested an investigation. The District's Civilian Investigative Unit (CIU) found probable cause that the administrator responsible for initiating and approving the unauthorized payments violated School Board's purchasing and ethical conduct policies.

The School Board Audit and Budget Advisory Committee reviewed this report at its December 1, 2015, meeting and recommended transmitting it to the School Board.

Copies of this report were 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 District's Surplus Equipment and Vehicle Auctions for FY 2014-2015.