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Office of Management and Compliance Audits

**SUBJECT: STATE OF FLORIDA AUDITOR GENERAL REPORT NO. 2020-163 – MIAMI-DADE COUNTY DISTRICT SCHOOL BOARD FINANCIAL AND FEDERAL SINGLE AUDIT FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

**COMMITTEE: FISCAL ACCOUNTABILITY AND GOVERNMENT RELATIONS**

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

In this audit report the State of Florida Auditor General (Auditor General), concluded that, in their opinion, "...the Miami-Dade County District School Board (District's) basic financial statements were presented fairly, in all material respects, in accordance with prescribed financial reporting standards." This language constitutes an unmodified opinion. In conjunction with the yearly audit of the school system financial statements, the Auditor General issued its Management Letter, which contains one finding on the reporting of discretely presented component units (charter schools) and corresponding recommendation. It also contains the District's response which does not agree with the finding. According to the management's response, their disagreement is based on Governmental Accounting Standards Board (GASB) literature as well as the independent auditor's opinion, which supports the position of the District that charter schools are not deemed to be component units, and should be excluded from the Comprehensive Annual Financial Report.

The Auditor General also conducted the Federal Single Audit of the Miami-Dade County District School Board for the fiscal year ended June 30, 2019. 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) Compliance Supplement, applicable to each of its major Federal programs. The results of their audit indicated that the District materially complied with the requirements that could have a direct and material effect on each of its major Federal programs, except for the Hurricane Education Recovery program where they issued a finding. This represents a qualified opinion on the Hurricane Education Recovery Program and an unmodified opinion on each of the other major Federal programs.

According to the finding, the District had misreported to the Florida Department of Education (FDOE) the count of misplaced students, which resulted in questioned costs totaling approximately \$1.28 million. In the management's response, the District stated that it has refunded this amount to the FDOE, which represents 0.27 percent of total expenditures reported in the District's Schedule of Expenditures of Federal Awards for the fiscal year ended June 30, 2019. The District also stated procedures regarding the count of displaced students have been enhanced to ensure that this data is accurately reported to the FDOE.

The School Board Audit and Budget Advisory Committee will review this report at its May 12, 2020, meeting to consider its transmission to the School Board.

The report may be accessed at:

[http://mca.dadeschools.net/AuditCommittee/AC\\_May\\_12\\_2020\\_Virtual/item4a.pdf](http://mca.dadeschools.net/AuditCommittee/AC_May_12_2020_Virtual/item4a.pdf)

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida, receive and file the State of Florida Auditor General Report No. 2020-163 – Miami-Dade County District School Board Financial and Federal Single Audit for the Fiscal Year Ended June 30, 2019.

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