



# The School District of Palm Beach County, Florida

## Internal Funds Accounts Audit June 30, 2017

**Report #2018-03**



### **MISSION STATEMENT**

The School District of Palm Beach County is committed to providing a world-class education with excellence and equity to empower each student to reach his or her highest potential with the most effective staff to foster the knowledge, skills, and ethics required for responsible citizenship and productive careers.

Robert M. Avossa, Ed.D.  
Superintendent of Schools

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Kathryn Gundlach	CTA President	Charter Assignment

\*\* as of June 30, 2017

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THE SCHOOL DISTRICT OF  
PALM BEACH COUNTY, FLORIDA

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LUNG CHIU, CIG, CPA  
INSPECTOR GENERAL

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KAREN M. BRILL  
BARBARA MCQUINN  
ERICA WHITFIELD

DONALD E. FENNOY II, Ed.D., SUPERINTENDENT

April 20, 2018

Members of the School Board  
Donald E. Fennoy II, Ed.D., Superintendent of Schools  
Members of the School Board Audit Committee

Ladies and Gentlemen:

We have audited the Combined Statement of Changes in Fund Balance-Cash Basis for the Year Ended June 30, 2017, for the Internal Fund Accounts of the Schools (as listed in Note 4) of The School District of Palm Beach County, Florida, pursuant to the *Florida State Board of Education, Administrative Rules 6A-1.001* and related *Florida Department of Education Rules (Chapter 8, Sections (I)(1)(b) and (III)(4.2) of Financial and Program Cost Accounting and Reporting for Florida Schools)*. This financial statement is the collective responsibility of each school's principal. Our responsibility is to express an opinion on this combined financial statement based on our audit.

We conducted our audit in accordance with *Generally Accepted Auditing Standards*, and the *Government Auditing Standards* promulgated by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, this financial statement was prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. In addition, this financial statement presents only the Internal Fund Accounts and is not intended to present the changes in fund balance of The School District of Palm Beach County, Florida, on the basis of accounting discussed in Note 1.

This report presents the results of Internal Funds Audits for all 175 schools. In our opinion, the financial statement referred to in the first paragraph presents fairly, in all material respects, the changes in fund balance of the Internal Fund Accounts of the Schools of The School District of Palm Beach County, Florida, for Year Ended June 30, 2017, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 20, 2018, on our consideration of The School District of Palm Beach County, Florida's internal control over financial reporting for Internal Fund Accounts and our tests of its compliance with certain provisions of laws, regulations, *School Board Policies*, and School District procedures and guidelines.

Our audit was made for the purpose of forming an opinion on the above-mentioned financial statement taken as a whole. The supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the Combined Statement of Changes in Fund Balance-Cash Basis for the Internal Funds of the Schools of The School District of Palm Beach County, Florida. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and in our opinion, is fairly presented in all material respects, in relation to the financial statement taken as a whole.

Sincerely,

Lung Chiu, CIG, CPA  
Inspector General  
Office of Inspector General

The School District of Palm Beach County, Florida  
**Combined Statement of Changes in Fund Balance – Cash Basis**  
Internal Fund Accounts  
Year Ended June 30, 2017

FY 2017 ALL SCHOOLS	Beginning Balance	Receipts	Expenditures	Transfers In	Transfers Out	Ending Balance
1 - ATHLETICS	\$ 1,469,979.95	\$ 5,644,134.98	\$ 5,552,481.19	\$ 1,918,628.22	\$ 1,866,711.16	\$ 1,613,550.80
2 - MUSIC	1,009,372.25	4,819,629.77	4,841,778.03	1,450,888.94	1,403,064.67	1,035,048.26
3 - CLASSES	999,416.59	6,697,211.82	6,353,690.89	1,185,695.56	1,386,108.32	1,142,524.76
4 - CLUBS	1,649,352.05	5,406,435.56	5,134,162.57	1,467,687.88	1,680,146.41	1,709,166.51
5 - DEPARTMENTS	3,814,974.86	7,357,848.42	7,061,576.21	2,385,175.42	2,198,313.72	4,298,108.77
6 - TRUSTS	7,444,534.47	48,824,777.83	48,559,857.29	2,539,748.59	2,739,084.97	7,510,118.63
7 - GENERAL ACTIVITIES	1,575,167.91	4,336,285.06	4,609,491.58	1,633,746.61	1,308,141.97	1,627,566.03
<b>TOTALS</b>	<u>\$ 17,962,798.08</u>	<u>\$ 83,086,323.44<sup>(1)</sup></u>	<u>\$ 82,113,037.76<sup>(1)</sup></u>	<u>\$ 12,581,571.22</u>	<u>\$ 12,581,571.22</u>	<u>\$ 18,936,083.76</u>

*Source: Individual School Statements of Changes in Fund Balance*

(1) Receipts and Expenditures are overstated by \$125,243 (0.15%) as a result of the method the accounting software uses to record change fund transactions.

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June 30, 2017

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## (1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Reporting Entity

Pursuant to *Chapter 6A-1.001 Florida State Board of Education Rules* and by reference, *Chapter 8 of Financial and Program Cost Accounting and Reporting for Florida Schools*, “internal funds are defined as all local school funds derived by any public school from all activities and sources” and “funds collected shall be expended to benefit those students in school unless the funds are being collected for a specific documented purpose or are generated by career education production shops.” This report consists of the 175 schools listed in Note 4. The District retains no equity interest in these funds and they are included in the District’s Comprehensive Annual Financial Report as an agency fund. The District and its governing board are organized and operated under *Section 4, Article IX, of the Constitution of Florida and Chapter 1001 of Florida Statutes*. The District’s boundaries are coterminous with those of Palm Beach County. Management of the schools is independent of county and city governments.

### Basis of Accounting

The financial statement is prepared on the cash basis of accounting; consequently, revenues are recognized when received rather than when earned, and disbursements are recognized when cash is disbursed rather than when the obligation is incurred.

## (2) CASH AND INVESTMENTS

Cash and investments include petty cash, demand deposits, savings and time deposits and are held in qualified public depositories pursuant to *Florida Statutes, Chapter 280, “Florida Security for Public Deposits Act.”* Under the Act, every qualified public depository shall deposit with the State Chief Financial Officer eligible collateral of the depository to be held subject to his or her order. The State Chief Financial Officer, by rule, shall establish minimum required collateral pledging levels. The pledging level may range from 25% to 150% of the average monthly balance of public deposits depending upon the depository’s financial condition and establishment period. All collateral must be deposited with an approved financial institution. Any losses to public depositories are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

## (3) ACTIVITIES ACCOUNTS

The student activity accounts used in this report are as follows:

### Athletics

All revenue and expenditures involving athletic business transacted at the school level is recorded in this account classification.

**Music**

Proceeds from activities of musical organizations; donations to these groups; and their expenses for supplies and trips are recorded in this account classification.

**Classes and Clubs**

Class and club accounts are those which support a group of students within a community of interest with a roster of members, officers, and a sponsor. Approval for the existence of all club and class activities is the responsibility of the principal. Class and club monies must be spent for the benefit of the class or club or for purposes designated by the class or club that participated in generating the revenue.

**Departments**

Departments are structured in a manner similar to classes and conduct their financial activities subject to those guidelines.

**Trusts**

Funds collected for specific, restricted purposes are accounted for in trust funds. Trust funds can be spent only for the purposes for which collected.

**General**

This category encompasses all other accounts for funds which are to be utilized for the general welfare of the student today.

**(4) SCHOOLS IN THE DISTRICT**

This report includes the following 175 schools:

**Elementary Schools (109)**

- |                                   |                                    |
|-----------------------------------|------------------------------------|
| Acreage Pines Elementary          | Crosspointe Elementary             |
| Addison Mizner Elementary         | Crystal lakes Elementary           |
| Allamanda Elementary              | Cypress Trails Elementary          |
| Banyan Creek Elementary           | D.D. Eisenhower Elementary         |
| Barton Elementary                 | Del Prado Elementary               |
| Beacon Cove Intermediate          | Diamond View Elementary            |
| Belle Glade Elementary            | Discovery Key Elementary           |
| Belvedere Elementary              | Dr. Mary McLeod Bethune Elementary |
| Benoist Farms Elementary          | Egret Lake Elementary              |
| Berkshire Elementary              | Elbridge Gale Elementary           |
| Binks Forest Elementary           | Equestrian Trails Elementary       |
| Boca Raton Elementary             | Everglades Elementary              |
| C.O. Taylor / Kirklane Elementary | Forest Hill Elementary             |
| Calusa Elelmentary                | Forest Park Elementary             |
| Cholee Lake Elementary            | Freedom Shores Elementary          |
| Citrus Cove Elementary            | Frontier Elementary                |
| Coral Reef Elementary             | Galaxy E3 Elementary               |
| Coral Sunset Elementary           | Glade View Elementary              |

Golden Grove Elementary  
Gove Elementary  
Grassy Water Elementary  
Greenacres Elementary  
Grove Park Elementary  
H.L. Johnson Elementary  
Hagen Road Elementary  
Hammock Pointe Elementary  
Heritage Elementary  
Hidden Oaks Elementary  
Highland Elementary  
Hope-Centennial Elementary  
Indian Pines Elementary  
J.C. Mitchell Elementary  
Jerry Thomas Elementary  
Jupiter Elementary  
Jupiter Farms Elementary  
K.E. Cunningham/Canal Point Elementary  
Lake Park Elementary  
Lantana Elementary  
Liberty Park Elementary  
Lighthouse Elementary  
Limestone Creek Elementary  
Lincoln Elementary  
Loxahatchee Groves Elementary  
Manatee Elementary  
Marsh Pointe Elementary  
Meadow Park Elementary  
Melaleuca Elementary  
Morikami Park Elementary  
New Horizons Elementary  
North Grade Elementary  
Northboro Elementary  
Northmore Elementary  
Orchard View Elementary  
Pahokee Elementary  
Palm Beach Gardens Elementary

Palm Beach Public Elementary  
Palm Springs Elementary  
Palmetto Elementary  
Panther Run Elementary  
Pierce Hammock Elementary  
Pine Grove Elementary  
Pine Jog Elementary  
Pioneer Park Elementary  
Pleasant City Elementary  
Plumosa Elementary  
Poinciana Elementary  
Rolling Green Elementary  
Roosevelt Elementary  
Rosenwald Elementary  
Royal Palm Beach Elementary  
S.D. Spady Elementary  
Sandpiper Shores Elementary  
Seminole Trails Elementary  
South Grade Elementary  
South Olive Elementary  
Starlight Cove Elementary  
Sunrise Park Elementary  
Sunset Palms Elementary  
The Conservatory School @ North Palm  
Beach Elementary  
Timber Trace Elementary  
U.B. Kinsey/Palmview Elementary  
Village Academy  
Verde Elementary  
Washington Elementary  
Water's Edge Elementary  
Wellington Elementary  
West Gate Elementary  
West Riviera Elementary  
Westward Elementary  
Whispering Pines Elementary  
Wynnebrook Elementary

**Middle Schools (33)**

Bak Middle School of the Arts  
Bear Lakes Middle  
Boca Raton Middle  
Carver Middle  
Christa McAuliffe Middle

Congress Middle  
Conniston Middle  
Crestwood Middle  
Don Estridge High Tech Middle  
Eagles Landing Middle

Emerald Cove Middle  
Howell L. Watkins Middle  
Independence Middle  
Jeaga Middle  
John F. Kennedy Middle  
Jupiter Middle  
L.C. Swain Middle  
Lake Shore Middle  
Lake Worth Middle  
Lantana Middle  
Loggers' Run Middle  
Odyssey Middle

Okeeheelee Middle  
Omni Middle  
Osceola Middle  
Palm Springs Middle  
Polo Park Middle  
Roosevelt Middle  
Tradewinds Middle  
Watson B. Duncan Middle  
Wellington Landings Middle  
Western Pines Middle  
Woodlands Middle

### **High Schools (23)**

A.W. Dreyfoos, Jr. School of the Arts  
Atlantic High  
Boca Raton High  
Boynton Beach High  
Forest Hill High  
Glades Central High  
John I. Leonard High  
Jupiter High  
Lake Worth High  
Olympic Heights High  
Pahokee Middle/Senior High  
Palm Beach Central High

Palm Beach Gardens High  
Palm Beach Lakes High  
Park Vista High  
Royal Palm Beach High  
Santaluces High  
Seminole Ridge High  
Spanish River High  
Suncoast High  
Wellington High  
West Boca Raton High  
William T. Dwyer High

### **Other Schools (10)**

Adult Education Center  
Crossroads Academy  
Delray Full Service Center  
Gold Coast Community School  
Indian Ridge School  
Palm Beach Virtual  
Riviera Beach Preparatory &  
Achievement Academy  
Royal Palm School  
South Intensive Transition School  
Turning Point Academy



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BARBARA McQUINN  
ERICA WHITFIELD

DONALD E. FENNOY II, Ed.D., SUPERINTENDENT

April 20, 2018

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Members of the School Board  
Donald E. Fennoy II, Ed.D., Superintendent of Schools  
Members of the School Board Audit Committee

Ladies and Gentlemen:

We have audited the Combined Statement of Changes in Fund Balance-Cash Basis of the Internal Fund Accounts of the Schools of The School District of Palm Beach County, Florida, as of and for the year ended June 30, 2017, and have issued our report thereon dated April 20, 2018. We conducted our audit in accordance with *Generally Accepted Auditing Standards* and the applicable standards contained in *Government Auditing Standards*, promulgated by the Comptroller General of the United States.

As part of obtaining reasonable assurance about whether The School District of Palm Beach County, Florida's financial statement for Internal Funds is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, *School Board Policies* and School District procedures and guidelines, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for providing the information of the School District to the School Board, Audit Committee, and other interested parties.

Sincerely,

Lung Chiu, CIG, CPA  
Inspector General  
Office of Inspector General

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DONALD E. FENNOY II, Ed.D., SUPERINTENDENT

April 20, 2018

Members of the School Board  
Donald E. Fennoy II, Ed.D., Superintendent of Schools  
Members of the School Board Audit Committee

Ladies and Gentlemen:

We have audited the Combined Statement of Changes in Fund Balance-Cash Basis of the Internal Fund Accounts of The School District of Palm Beach County, Florida, as of and for the year ended June 30, 2017, and have issued our report thereon dated April 20, 2018.

In planning and performing our audit of the Combined Statement of Changes in Fund Balance-Cash Basis of the Internal Funds of The School District of Palm Beach County, Florida, for the year ended June 30, 2017, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the Combined Statement of Changes in Fund Balance-Cash Basis of the Internal Funds, and not to provide assurance on the internal control structure. We also performed risk analysis at all schools to identify high risk areas for additional testing; such as, financial trends of individual accounts, payments to specific vendors, and previous audit noncompliances, etc.

To evaluate the extent of compliance with *School Board Policies*, School District procedures and guidelines, and to detect potential irregularities, we conducted both random and judgmental sample testing. Judgmental sampling is widely used by the U.S. Government Accountability Office (GAO) and professional auditing practitioners to assess the effectiveness of controls and the extent of compliance with laws, rules, and regulations. In judgmental sampling, auditors rely on their knowledge and experience to select items and transactions most likely to have a questionable public purpose, and therefore could provide an indicator of potential fraud or irregularity. If significant irregularities were identified during the audit, we would expand the scope to review all relevant transactions; and the instances of alleged irregularities would be referred to School Police and Personnel for further investigation, if warranted. The results of these expanded scope reviews were not included in this report, and were released as separate reports.

As a result of this examination, we hereby present a number of findings and recommendations for consideration by District management. These suggestions are based primarily on the work done

during our audit engagement, and the findings are not necessarily covering every possible weakness. Nevertheless, we do think they deserve careful evaluation. We also identified 44 schools in which no significant noncompliances were identified.

Collectively, there were nine findings for the 2017 Internal Funds Audit of 175 schools. These findings were categorized into four areas: Disbursements, Money Collections, Leasing of School Facilities, and Segregation of Duties. Findings for each school were brought to the immediate attention of the Principal during the fieldwork. Individual management response was obtained from the Principal and was included in each school audit. We also have recognized corrections of prior year emerging issues.

We recognize that implementing the recommendations outlined in each finding will require staff commitments. However, we believe that the benefits derived will far exceed the cost of implementing these recommendations.

## **OVERALL FINDINGS FOR THE 175 SCHOOLS**

### **I. Disbursements**

1. Disbursements Not Properly Documented or Approved
2. Vendors Performed Services on Campus Without *Consultant Agreement*

### **II. Money Collections**

3. Cash Collection and Deposit Procedures
4. Monies Not Deposited Timely
5. Inadequate Fundraising Documentation
6. Lack of Documentation for Fundraising Give-Away Items

### **III. Leasing of School Facilities**

7. *Lease Agreement* Not Properly Signed
8. Late Payments

### **IV. Segregation of Duties**

9. Staff Performing Incompatible Duties

### **V. Status of Prior Year Emerging Issues**

10. Access to Online Training by District Volunteers
11. Training Be Completed Prior to Sponsoring Activity
12. Two Signers for *Section 2 of Drop-Safe Log*

## **SAMPLING METHODOLOGY**

*(Source: GAO's "Using Statistical Sampling", May 1992)*

Judgmental Sampling. To evaluate the extent of compliance with *School Board Policies*, School District procedures and guidelines, and to detect potential irregularities, we conducted both random and judgmental sample testing. Judgmental sampling is widely used by the U.S. Government Accountability Office (GAO) and professional auditing practitioners to assess the effectiveness of controls and the extent of compliance with laws, rules, and regulations. In judgmental sampling, auditors rely on their knowledge and experience to select items and transactions most likely to have a questionable public purpose, and therefore could provide an indicator of potential fraud or irregularity.

Judgmental Sampling Results Cannot Be Generalized to Population. Judgmental sampling is not statistical or scientific sampling, and the rate of occurrence would not be the same in the remaining population of untested items. Therefore, the sampling results cannot be generalized to a population. Applying the occurrence rate from judgmental samples to the entire population of transaction is meaningless and will produce misleading generalization.

Audit Scope and Extent of Testing Through Various Sample Sizes for Individual Schools. The audit scope and sample sizes for individual schools were adjusted accordingly based on the circumstances and need for testing. Priority was given to those schools with (1) change in principal or treasurer, and (2) critical and repeated noncompliances. The Internal Funds Audits involved review of results from follow-up on prior year's findings and testing of compliance and adequacy of internal controls

## **SCHOOLS WITH NO SIGNIFICANT NONCOMPLIANCES**

We would like to recognize the 50 schools (up from 28 in Fiscal Year 2016) in which no significant noncompliances were identified during the Fiscal Year 2017 Audits. While not every error or control weakness is necessarily identified during our audit engagement, no significant noncompliances or weaknesses were found in the samples examined at the following 50 schools.

A.W. Dreyfoos School of Arts	Frontier Elementary
Acreage Pines Elementary **	Grassy Waters Elementary
Addison Mizner Elementary	H.L. Johnson Elementary
Allamanda Elementary	Hammock Pointe Elementary
Beacon Cove Intermediate	Highland Elementary
Belvedere Elementary	Howell L. Watkins Middle
Binks Forest Elementary	Independence Middle
Boca Raton Elementary	Jupiter Farms Elementary
Cholee Lake Elementary	Lake Park Elementary
Christa McAuliffe Middle	Lake Worth High
Coral Reef Elementary	Lake Worth Middle
Cypress Trails Elementary	Lantana Middle
D.D. Eisenhower Elementary	Liberty Park Elementary
Diamond View Elementary**	Lighthouse Elementary
Eagles Landing Middle**	Loxahatchee Groves Elementary
Elbridge Gale Elementary**	Melaleuca Elementary**
Everglades Elementary	Northboro Elementary**

Omni Middle  
Osceola Creek Middle  
Palm Beach Gardens High  
Palm Beach Public  
Palm Beach Virtual School\*\*  
Palm Springs Elementary  
Panther Run Elementary  
Park Vista High

Pine Jog Elementary\*\*  
Royal Palm Beach Elementary\*\*  
Royal Palm Beach High  
Royal Palm School  
South Intensive Transition School  
Tradewinds Middle  
Waters Edge Elementary\*\*  
West Gate Elementary

Schools marked with \*\* also had no significant noncompliances during Fiscal Year 2016 Audits. We have notified the Regional Superintendents of the above schools for their extraordinary performance in complying with *School Board Policies* and maintenance of their records.

## I. DISBURSEMENTS

During Fiscal Year 2017, all 175 schools in the School District disbursed a total of \$82.1 million in payments for purchases of goods, services, and other expenditures through the Internal Funds. These expenditures included 72,003 transactions in District's Purchasing Cards (P-Cards) totaling \$4.2 million. Two findings were noted in the area of disbursements.

### 1. Disbursements Not Properly Documented or Approved

Per *School Board Policy 6.07, Internal Accounts*, the principal of the school shall be directly responsible for administering the State and District rules, regulations, and procedural guidelines. The internal controls established by the *Internal Accounts Manual* and District guidelines should provide guidance for the principal in approving each disbursement. The District continued to improve compliance in this area by providing ongoing training opportunities in financial management for staff, both web-based and face-to-face.

The 2017 Audits revealed a significant improvement in documentation of P-Card transactions. Inadequate documentation of P-Card transactions occurred in 16 (9%) of the schools, down from 28 schools in Fiscal Year 2016. However, our testing found that in 53 (30%) of the schools, some of their disbursements lacked the necessary documentation. Noncompliances in disbursements identified by the 2017 Audits included:

- 13 (7%) schools made some of their payments by school checks or District P-Card without any supporting documentation.
- 34 (19%) schools made some of their payments without adequate documentation, such as vendors' account statements or packing lists, without the details of the purchases.
- 23 (13%) schools did not issue *Purchase Orders* for some disbursements exceeding \$1,000, which is required by the *Internal Accounts Manual, Chapter 8 (Cash Disbursements and Checks)*.

- 9 (5%) schools issued some of their payments based on purchase agreements and contracts signed by staff members instead of the principal.

### **Recommendation**

***Internal Accounts Manual, Purchasing Manual***, and related School District Policies and guidelines require that:

- Issuance of school checks should be supported by *Check Requisitions* approved by the school principal. All expenditures/payments by school checks and P-Cards should be supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the related expenses were appropriate.
- Contractual agreements should be signed by the principal pursuant to ***School Board Policy 6.14. Section 4***, which states “*No person, unless specifically authorized ..., may make any purchase or enter into any contract involving the use of school or School District funds. Payment of any unauthorized purchase may be the responsibility of the person placing the order.*”
- *Purchase Orders* should be prepared and pre-approved by the principal for purchases in excess of \$1,000 to confirm the availability of funds for payment, as required by the ***Internal Accounts Manual, Chapter 8 (Cash Disbursements and Checks)***,

### ***Management’s Response:***

*Management concurs. The number of schools cited for various audit findings in Cash Disbursements area was 53 schools, compared with 54, 59 and 72 schools in FY16, FY15 and FY14, respectively. Even though the total number of schools remained constant, it appears as though the findings at each school decreased: Lack of any support went from 19 schools to 13 schools, inadequate documentation of P-Card transactions decreased to 16 schools (from 28 in the prior year), inadequate support went from 37 to 34 schools. Management continues to believe the decrease in audit findings correlates to the FY17 on-line training for teacher/sponsors and P-Card holders. Also, treasurers receive live face-to-face monthly training sessions offered by Accounting Services. Training and experience on the part of the treasurer contribute to the success of the school’s audit, with a high turnover rate in this position there is constant training required.*

## **2. Vendors Performed Services on Campus Without Consultant Agreement**

Section 8 of the *School District Consultant Agreement* (PBSD 1420) mandates the background checks/fingerprinting of vendors in accordance with the ***Jessica Lunsford Act (Florida Statutes §1012.465)***. However, the 2017 Audits found that:

- In 11 (6%) schools, some vendors were permitted to perform services at the schools without the required *School District Consultant Agreement*.
- In 13 (7%) schools, the *School District Consultant Agreements* for some vendors were not properly executed with all the required information. Missing information included hourly rates, maximum contract amounts, principals' and consultants' signatures, etc.

### **Recommendation**

To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) the consultant's background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465 (Jessica Lunsford Act)*.

### ***Management's Response:***

*Management concurs. All consultant engagements require contracts. This finding decreased for schools as well: Schools without consultant agreements went from 13 in FY16 to 11 in FY17, and agreements with missing information went from 20 in FY16 to 13 schools in FY17. The Purchasing Department reinforces the proper procedures for consultant engagements annually at a monthly face-to-face treasurer training hosted by the Accounting Services. The Purchasing Department has a purchasing agent responsible for management of consultant contracts to work with schools. The Purchasing Department website has been expanded with information regarding consultant agreement guidelines and samples are available. In addition, the topic of consultants was also addressed in the FY17 on-line Cash Disbursement training for teachers/sponsors.*

## **II. MONEY COLLECTIONS**

During Fiscal Year 2017, all 175 schools in the School District collected a total of \$83.1 million in Internal Fund revenues, mostly from (1) fundraising, (2) special trusts, and (3) fee-based programs. Three findings were noted in the area of money collections.

### **3. Cash Collection and Deposit Procedures**

To help strengthen the controls and integrity of revenue collections, the District has developed and implemented certain procedures for cash handling. These procedures require the activity sponsors to (1) record the collection information on the prenumbered *Drop-safe Log*, (2) retain the yellow copy of *Monies Collected Reports (MCRs)* before dropping off the collections into the school's drop-safe for deposit, and (3) submit at year-end the yellow MCRs and the *Official Receipts* generated by the system to the principal's designated staff (other than the treasurer) for future reference. The procedures also require an independent staff verifier to (1) accompany the school treasurer to open the drop-safe and complete *Section 2* of the *Drop-safe Log* after the contents were removed from the safe for processing by the treasurer, and (2)

complete Section 3 of the *Drop-safe Log* after the collections have been processed and recorded in the accounting system by the treasurer.

During the 2017 Audits, we noted instances of noncompliance with the procedures related to MCRs and *Drop-safe Logs*.

*Drop-safe Logs Not Completed With All the Required Information - Down from 43 schools in Fiscal Year 2016.* In 35 (20%) of the schools, staff did not always complete the *Drop-safe Log* for dropping off the collections into the safe. Noncompliances included:

- Some pages of the *Drop-safe Log* were missing at five schools (down from 16).
- Deposit information was not recorded on the *Drop-safe Log* when putting the collections into the school's drop-safe. (3 schools.)
- Incomplete information was entered into the *Drop-safe Log*. Missing information included the sponsors' names, dates of collections, dates of the collections put into the drop-safe, and the dollar amounts. (12 schools.)
- *Section 2* of the *Log* was signed by the treasurer alone after removing the monies from the safe for processing; i.e., no evidence of an independent staff verifier accompanying the treasurer to the safe.
- *Section 3* of the *Drop-safe Log* was not completed by the independent staff verifier indicating that the collections had been recorded in the accounting system.

*Control in Prenumbered Documents Needs Improvement.* The District's ***Internal Accounts Manual*** and related operating procedures require schools to designate document custodians for all prenumbered documents used by the schools, including *Drop-safe Logs*, *School Checks*, *Classroom Receipts*, and *Prenumbered Tickets*. The 2017 Audits found that 19 (11%) schools did not assign custodians for some of the prenumbered documents. In addition, 35 (20%) schools did not inventory the prenumbered documents in accordance with District guidelines.

## **Recommendation**

To ensure proper fiscal accountability and as required by ***Bulletin #P-14051-S/CFO*** and ***Internal Accounts Manual, Chapter 7's Record Retention Requirements***, (1) *Drop-safe Log* should be properly completed with all the needed money collection information; (2) the completed *Log* should be retained by a staff member, other than the treasurer, for five years; and (3) teachers/sponsors should submit their yellow copies of the MCR and receipts generated by the system to the school secretary at year-end. Document custodians should be assigned for all prenumbered documents; and prenumbered documents should be periodically inventoried in accordance with District guidelines as required by ***Internal Accounts Manual, Chapter 27***.

***Management’s Response:***

*Management concurs. The overall number of schools with this finding has decreased. Training is available and mandatory for all teacher/sponsors collecting funds on behalf of the school. In FY17, Management created eLM training for the document custodian, and Principals received a high level training on use of the Drop Safe Log (DSL). In FY18, Management began to require monthly scanning of the DSL and monthly inventory of DSL along with signature of Principal. An Analyst in Accounting is reviewing and following up with schools when items are missing. In FY19, training will be available on July 1 for Principals, Sponsors, and Document Custodians.*

**4. Monies Not Deposited Timely**

In 31 (18%) schools, monies collected by staff were not always deposited into the drop-safe in a timely manner, with delays ranging from one to 27 working days, and an average of four working days. At seven schools, the treasurers did not timely deposit collected monies into the bank, with delays ranging from six to 15 working days. Delays in turning in the monies for deposit could result in irregularities and increase the risk exposure to staff.

**Recommendation**

***DOE Rules (Chapter 8 of the Department of Education’s Financial and Program Cost Accounting and Reporting for Florida Schools)*** and District’s guidelines require that all monies collected be (1) put in the drop-safe daily and (2) deposited in the bank within five working days after collection.

***Management’s Response:***

*Management concurs. The number of schools cited for not depositing monies timely needs improvement. Management will continue to stress the importance of timely deposits with Principals and they in turn will hopefully stress the point with sponsors. Management will continue to focus on training. In FY19, training will be available on July 1 for Principals, Sponsors, and Document Custodians.*

**5. Inadequate Fundraising Documentation**

Fundraising activities are governed by ***School Board Policy 2.16 – Fund-Raising Activities Relating to Schools***. Noncompliances with fundraising procedures were identified at 78 (45%) of the schools (down from 110 schools in Fiscal Year 2016). These noncompliances included: (1) sponsors not completing the mandatory annual online training, (2) insufficient/lack of documentation for fundraisers, (3) inaccurate financial information on fundraising forms, and (4) lack of authorization for fundraisers. Repeated violations of District’s fundraising procedures by the same staff were referred to the Office of Professional Standards for appropriate actions.

<u>Noncompliances</u>	<u>Number of Schools</u>
1. No Online Training	
• Sponsor did not complete the required training during Fiscal Year 2017	49
2. Insufficient/Lack of Documentation	
• <i>Sales Item Inventory Report</i> missing or not used	39
• <i>Sales Item Inventory Report</i> incomplete	20
• <i>Ticket Sellers Report</i> missing or not used	4
3. Inaccurate Information	
• Revenue shortage, based on available sales and purchasing records	27
• Revenue recorded in the club's/activity's primary account instead of dedicated decimalized account	8
4. Lack of Authorization	
• <i>Sales Item Inventory Report</i> not reviewed and/or signed by principal	21
• <i>Fundraising Application/Recap</i> form missing (no evidence of principal's authorization)	17
• Fundraising activity started before principal's authorization	7

### **Recommendation**

To ensure proper fiscal accountability, fundraiser sponsors should complete a *Sales Item Inventory Report* and *Ticket Sellers Report* with accurate information for each fundraiser. Complete and accurate *Reports* should assist staff in reconciling the actual revenues with the expected revenues. Significant discrepancy should be thoroughly investigated and resolved accordingly. Moreover, *Sales Item Inventory Report* should also be maintained in order to account for the revenue for sales items.

Fundraiser sponsors should complete the required eLearning Training Course annually prior to conducting fundraising activities. This should help staff understand and comply with the updated fundraising procedures.

While we recognize staff has taken proactive steps to strengthen controls and improve compliance, complete and accurate sales information on the *Sales Item Inventory Reports* and *Ticket Sellers Reports* is critical for proper accountability of revenues collections. Accounting Services Department should ensure staff is properly trained for the use of these forms. Human Resources should ensure that proper personnel actions are taken if fundraising reports are missing or not prepared.

**Management's Response:**

*Management concurs. All documentation is important and required to ensure compliance with District internal controls. In FY17, 78 schools (down from 110 schools in FY16) are noted as having non-compliance in fundraising. Of the 78 schools, 49 (down from 58 in FY16) were cited for failing to complete the on-line training. Of the schools with documentation findings, a majority of them did not complete the on-line training which more than likely contributed to the inadequate documentation findings. Management will continue to work with schools to reinforce training of the Treasurers, Teacher/Sponsors, and Principals to increase the awareness of the proper fundraising documentation. All training will be available by July 1 for FY19, in addition we are creating a checklist for Principals related to Internal Accounts.*

**6. Lack of Documentation for Fundraising Give-Away Items**

During the 2017 Audits, our audit samples identified a total of \$17,322.67 worth of fundraising items that were noted given-away on the fundraisers' *Sales Item Inventory Reports* at 20 schools without any support or documentation. The *Sales Item Inventory Report* is intended to assist staff (1) in reconciling the estimated fundraising revenues with the actual collections, and (2) to account for the items donated to the school or purchased with school funds. However, it is not intended to assist fundraising sponsors to "force reconcile" the revenue collected by putting the quantities of given-away or missing items without explanation/documentation on the *Sales Item Inventory Report*. The principal is required to sign the *Sales Item Inventory Report* to confirm the ending inventory and attest to the items missing, stolen, or given-away. This practice does not provide accountability in safeguarding school assets, if there is no explanation and documentation for the given-away/missing items, and proper approval by the principal.

As indicated by some school principals in their responses to the audit findings, they were instructed through the school treasurer's training provided by Accounting Services Department that documentation/explanation for given-away items is not necessary, because the principals have already signed the *Sales Item Inventory Report*.

According to Accounting Services, effective Fiscal Year 2018, schools will maintain a list of recipients for given-away items with a value greater than \$50.

**Recommendation**

To ensure proper fiscal accountability, fundraising items (donations received by the schools or purchased with school funds) that are provided free-of-charge to students, staff members, or the community should follow similar requirements for giving gift cards, as specified in **Bulletin #P-14974-COO/P/AS**. This **Bulletin** states "*Schools must maintain documentation of all recipients of gift cards.*" A written explanation including the recipients of the items and the reason for providing the items should be part of the fundraiser documentation. This practice should provide better control through the revenue collection reconciliation. It also provides Principals with information in deciding if similar future fundraising activities are warranted.

***Management's Response:***

*Management agrees that accounting for sales item inventory is important. The FY17 process for recording fundraising give away items was established by a Principal Committee several years ago. Since that time, the District has required the Principal to verify the accuracy of the Inventory Report. For FY18, management met with another Principal Committee that agreed to change the requirements for sales items unit cost of greater than \$50, a list of recipients for items given away is to be attached to the sales item inventory report. For items under \$50, the Principal's signature is considered adequate documentation. Management does not deem it necessary to document all items as many times items leftover after a fundraiser have no value, as they could be dated, or only significant for a certain period of time.*

**III. LEASING OF SCHOOL FACILITIES**

The School District recognizes the mutual benefits of the use of school facilities by the community and civic organizations, other government entities, and taxpayers. To meet the needs of the community while protecting the best interests of the schools, the School Board has adopted ***Policy 7.18 Community Use of School Facilities*** that governs the use of school facilities by the community. Certain leasing procedures and guidelines were developed to implement ***Policy 7.18*** requirements.

The District uses a Computer Aided Facilities Management software program, the Tririga System, to track school facility leasing activities. While the calculation of leasing charges and documentation are handled by this software, staff still needs to exercise diligence regarding *Lease Agreement* preparation, proof of liability insurance coverage, and rental charges collection and revenue distribution. Three findings were noted in the area of school facilities leasing.

**7. Lease Agreement Not Properly Signed**

In 27 (15%) schools (down from 36 schools in Fiscal Year 2016), the *Lease Agreements* did not always include all the required dated signatures in a timely manner. Incomplete or missing information was also noted on *Lease Agreements*, such as missing signatures of the lessees and witness.

**Recommendation**

Since Fiscal Year 2014, staff has modified the leasing approval process by allowing electronic signature for the principal. However, the manual signatures of lessee and witness on hard copy of *Lease Agreement* must be obtained prior to the use of facility. *Lease Agreements* should be properly executed with all the required dated signatures prior to the lessees' use of facilities.

***Management’s Response:***

*Management concurs. In FY17, the trend for this finding improved by 33%. At the annual training, the leasing team will continue to stress the importance of having leases properly signed so that the lease terms can be legally enforced.*

**8. Late Payments**

***School Board Policy 7.18*** states, “*Fees are to be paid by check or credit card (no cash) at least forty-eight (48) hours prior to the use of a facility.*” However, some long term lease arrangements at 21 (12%) of the schools did not comply with this requirement due to certain technical difficulties.

**Recommendation**

All rental charges should be collected 48 hours prior to lessees’ use of the school facilities in accordance with ***School Board Policy 7.18***.

***Management’s Response:***

*Management concurs. In FY18, an on-line post-training knowledge test was added to cover this topic. Policy 7.18 revisions, currently in progress, will require that all lease payments must be submitted electronically through the District's payment portal. Management is hopeful that this will result in more timely payments in the future.*

**IV.SEGREGATION OF DUTIES**

**9. Staff Performing Incompatible Duties**

Segregation of duties is a key element for fiscal accountability to prevent and detect potential irregularities. The audits found that some staff were performing incompatible duties in 17 (10%) schools (down from 21 in 2016). Examples included:

- Incoming mail was opened by school treasurer for processing. Incoming mail should be received and opened by a different staff member. Payments, if any, received in the mail should be recorded on a MCR by the staff who opens the mail, prior to recording and dropping off the collection in the drop-safe.
- School treasurer prepared some *Check Requisitions, Monies Collected Reports (MCRs), and Fundraiser Application/Recap Forms* on behalf of the activity sponsors, who should complete the designated paperwork.
- School treasurer prepared the *Prenumbered Document Inventory Register for Drop-safe Logs and School Checks* for the assigned document custodian to sign.

Principals rely on school treasurers to inform other staff of the needed internal controls process and responsibilities in ensuring that revenue collections and disbursements be properly handled and documented. However, it is ultimately the principals' responsibility to oversee and enforce the rules. Internal controls only work when staff adhere to the procedures. Beginning in Fiscal Year 2013, the District implemented an online mandatory annual training for all staff involved with money handling. School treasurers also receive reinforcement training on rules and documentation at the monthly treasurers' meetings.

### **Recommendation**

We recognize that implementing the control of segregation-of-duties may sometimes be difficult at some schools due to shortage of staffing. The District should explore other options to ensure staff is properly trained and understands the importance of proper internal controls for money handling.

### ***Management's Response:***

*Management concurs. School Treasurers are trained at monthly meetings with regard to duties that should be done by other school staff to maintain internal controls. As mentioned in the IG report, school staffing limitations can present a challenge in some instances. In FY18, Management presented during a Principal Leadership Academy and reinforced the importance of segregation of duties.*

## **V. STATUS OF PRIOR YEAR EMERGING ISSUES**

### **10. Access to Online Training by District Volunteers**

Some Parent Teacher Organizations (PTOs) maintain their funds and financial records within the school's Internal Accounts. These organizations are operated by volunteers who are not District employees. Often they sponsor school fundraisers and collect monies to benefit the school. Some schools' athletic teams are operated by volunteers in lieu of a District employee and sponsor team activities and fundraisers. It appears the District's current procedures do not address the rules in how money collected by volunteers should be handled.

### **FY16 OIG Recommendation**

To ensure staff is well informed on updated money handling and fundraising procedures, all internal account fundraising sponsors are required to complete the annual online training for the appropriate modules. However, volunteers currently do not have access to the online internal accounts training modules through the District's eLearning Management System.

## **Corrective Actions Taken**

The issue of non-District employees as account sponsors was addressed by **Bulletin #P 18-055 CFO – FY18 Mandatory Internal Accounts Training for Teachers and Sponsors...** issued on August 15, 2017. This directive stated, “Effective FY18 only District employees can sign official forms...” The official forms include those used in the collection and disbursement of money. All PTO/PTAs and Booster Clubs that maintain their funds within the school’s Internal Accounts must have a District employee sponsor to sign official forms.

## **Status of Corrective Actions During FY17 Audits**

No exceptions were noted during the FY17 Audits.

### ***Management’s Response:***

*Management understands that only District employees have access to eLearning Management to view the training videos. As mentioned in Corrective Actions, effective FY18, only District employees are authorized to sign District forms relating to deposits, requisitions and fundraisers. Since each Booster Club has a Faculty Sponsor, the sponsor is responsible for reviewing/completing all necessary paperwork. Regarding PTO/PTAs, the Principal can appoint him/herself as the sponsor or appoint a faculty/staff member to complete paperwork.*

## **11. Training Be Completed Prior to Sponsoring Activity**

Both **Bulletins #P 17-057 CFO** and **#P 16-079 COO** require all teacher/sponsors, who transact business within the school internal accounts, to complete the appropriate online internal accounts training sessions by December 30 each year. However, many fundraising and money collection activities could begin before December 30; and some of them even started on the first day of school year. During 2016, fundraising sponsors at 63 (36%) schools did not complete the required online training until after the fundraising activities had begun; sponsors at 36 (21%) schools completed before December 31, 2015, and another 41 (23%) completed after December 31, 2015.

### **FY16 OIG Recommendation**

To ensure staff/sponsors are familiar with and complying with the updated fundraising and money handling procedures, account sponsors should complete the required eLearning training courses prior to conducting the fundraising activity. We recommended the existing Bulletins be amended to require the needed eLearning training be completed by sponsors prior to the start of the fundraising activities. Moreover, staff should communicate with all school staff/sponsors to reinforce the need to complete the required training prior to initiating fundraising activities.

## Corrective Actions Taken

The issue of training completion prior to activity was addressed in **Bulletin #P 18-055 CFO – FY18 Mandatory Internal Accounts Training for Teachers and Sponsors...** issued on August 15, 2017. This directive stated, “*All teachers/sponsors who transact business within school internal accounts must view the appropriate presentation prior beginning the specific activity.*”

## Status of Corrective Actions During FY17 Audits

Some sponsors in 37 schools did not complete the required online training. Sponsors in an additional 12 schools properly documented the fundraisers they conducted. However, they failed to take the required annual training during Fiscal Year 2017.

### **Management’s Response:**

*As indicated, effective with the FY18 Bulletin Outlining Teacher/Sponsor Training, management removed the “completion by” date and require appropriate training be completed prior to beginning an activity that requires training. There was an exception for any fund raising that began during the summer where they could complete FY17 Training and still be in compliance. For the FY19 school year all training will be available by July 1.*

## 12. Two Signers for Section 2 of Drop-safe Log

**Bulletin #P-14051-S/CFO** outlines the procedures for accessing the drop-safe and removing contents from the drop-safe for processing by school treasurer. The **Bulletin** requires that:

### (a) Drop-safe Be Opened Jointly by the School Treasurer and Another Staff Member

*“The safe may be opened by the principal (who is the only person on campus permitted to have the complete safe combinations) or by the bookkeeper and another staff member (who are permitted to share portions of the safe combination). The contents of the drop safe must be verified by two individuals against the Drop Safe Log.”*

### (b) School Treasurer and Another Staff to Jointly Empty the Safe

*“To empty the safe, one staff member will remove the deposit packets from the safe and call out the teacher names and amounts to the other staff member, who will check that information against the drop safe log. The assisting staff member will complete the second section of the Drop Safe Log by entering the date and their initials.”*

However, the instructions/guidelines provided by the Accounting Services Department require only the independent staff verifier to sign/initial in Section 2 of the *Drop-safe Log* when monies collected were removed from the safe for processing by school treasurer.

It is apparent that signatures from two staff persons will provide better control than just one person since the second person who was present anyway to witness the removal of collections by the treasurer from the drop-safe for processing. A signature from this second person should satisfy the requirement.

Example: Why the Second Person's Signature is Important. For example, during the 2016 Audit of Sunrise Park Elementary, we were informed that the holder (i.e. data processor) of one-half of the drop-safe access combination entered the half combination into the lock system upon arrival at the school in the morning. Then, the school treasurer would enter the other half of the lock combination and remove the collections for processing during the day without the presence of another staff. At this school, only the school treasurer signed *Section 2*. This example demonstrates the importance of why the second person's signature is needed to ensure compliance with the joint opening and removal of contents from the safe.

### **FY16 OIG Recommendation**

To further strengthen the money handling procedures, we recommended that the *Drop-safe Log* procedures be amended to require the signatures (or initials) of both staff members who are present when the drop-safe is open and its contents are removed from the safe for processing.

### **Corrective Actions Taken**

The issue of two signers for *Section 2* of the *Drop-safe Log* was addressed in **Bulletin #P 18-132 CFO – FY18 Updated Drop Safe Log Procedures...** issued on October 25, 2017. This directive stated that in addition to the procedures outlined **Bulletin #P-14051-S/CFO** “the Treasurer must initial on *PBSD 2407, Drop Safe Log in Section 2, next to the initials of the Verifier when verifying the contents of the safe.*”

### **Status of Corrective Actions During FY17 Audits**

In 15 schools, *Section 2* on some of the *Drop-safe Logs* were signed only by the school treasurers with no evidence of an independent staff verifier accompanying the treasurer to the safe.

### **Management's Response:**

*Effective November 2017, management requires two signatures on the DSL indicating who was present during the opening of the drop safe. In FY18, we are also requiring DSL be scanned into Accounting for review (see response #3). In FY19, management will create a “Deposit Retrieval from Drop Safe Training” that all staff members with all or a portion of*

*the drop safe combination will be required to take to ensure that proper procedures are followed when removing items for deposit from the drop safe.*

***Additional Management Comments:***

*While District staff continues to enhance both in-person and online training, the prescribed procedures must be implemented with fidelity by school staff to be effective. In FY18, reminders were added to the Principal calendar that will help them oversee school financial management tasks and improve compliance. In addition, the Accounting Department is currently creating eLM training for school administrators which will be ready July 1 for the FY19 school year. In addition, Principals will be provided with a comprehensive checklist for internal accounts.*

This report is intended for providing the information of the School District to the School Board, Audit Committee, and other interested parties.

Sincerely,

Lung Chiu, CIG, CPA  
Inspector General  
Office of Inspector General

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# **Elementary Schools**

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**Acreage Pines Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 14200 Orange Boulevard  
Loxahatchee, FL 33470

Principal:  
Fiscal Year 2017: Darline Karbowski  
During Audit: Darline Karbowski

Treasurer:  
Fiscal Year 2017: Barbara Schumacher/Elizabeth Biaggi  
During Audit: Elizabeth Biaggi

Afterschool Site Director:  
Fiscal Year 2017: Jennifer Millar  
During Audit: Miranda Trimble

**Cash and Investments**

Checking	\$ 36,042.29
Investments	
	\$ 36,042.29

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	323.12	0.00	0.00	31.99	0.00	355.11
Classes	2,272.96	40,398.10	40,501.27	5,023.51	4,364.45	2,828.85
Clubs	456.68	648.81	612.06	80.00	127.35	446.08
Departments	1,667.42	9,030.61	9,082.22	415.87	0.00	2,031.68
Trusts	14,955.99	236,436.36	237,612.62	7,083.34	7,643.04	13,220.03
General	16,241.67	34,673.32	33,254.58	18,097.98	18,597.85	17,160.54
	\$ 35,917.84	\$ 321,187.20	\$ 321,062.75	\$ 30,732.69	\$ 30,732.69	\$ 36,042.29

Acreage Pines Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Addison Mizner Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 199 S.W. 12th Avenue  
 Boca Raton, FL 33486

Principal:  
 Fiscal Year 2017: Kelly Burke  
 During Audit: Kelly Burke

Treasurer:  
 Fiscal Year 2017: Robin Stewart  
 During Audit: Robin Stewart

Afterschool Site Director:  
 Fiscal Year 2017: Steve Robert  
 During Audit: Steve Robert

**Cash and Investments**

Checking	\$ 82,915.76
Investments	
	\$ 82,915.76

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	4,929.56	3,404.00	3,705.89	768.82	768.82	4,627.67
Classes	487.24	45,562.00	42,757.99	2,218.00	4,411.06	1,098.19
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	19,599.14	28,033.23	29,134.80	3,788.74	3,788.74	18,497.57
Trusts	39,980.15	985,005.40	958,186.13	21,073.83	25,481.72	62,391.53
General	( 2,094.81)	5,285.37	13,490.71	6,623.95	23.00	( 3,699.20)
	\$ 62,901.28	\$1,067,290.00	\$1,047,275.52	\$ 34,473.34	\$ 34,473.34	\$ 82,915.76

Addison Mizner Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Allamanda Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 10300 Allamanda Drive  
Palm Beach Gardens, FL 33410

Principal:  
Fiscal Year 2017: Marilu Garcia  
During Audit: Marilu Garcia

Treasurer:  
Fiscal Year 2017: Millie Graff  
During Audit: Millie Graff

Afterschool Site Director:  
Fiscal Year 2017: Francis Grenon  
During Audit: Francis Grenon

**Cash and Investments**

Checking	\$ 48,370.01
Investments	
	\$ 48,370.01

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	277.71	0.00	259.70	0.00	0.00	18.01
Classes	3,186.69	10,093.75	8,393.91	2,293.41	2,345.32	4,834.62
Clubs	175.70	73.40	154.40	0.00	0.00	94.70
Departments	2,583.26	10,942.70	11,639.08	5,262.91	5,262.91	1,886.88
Trusts	47,659.42	424,497.30	436,572.68	3,400.00	4,266.53	34,717.51
General	3,272.86	4,842.74	2,215.75	3,921.44	3,003.00	6,818.29
	\$ 57,155.64	\$ 450,449.89	\$ 459,235.52	\$ 14,877.76	\$ 14,877.76	\$ 48,370.01

Allamanda Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Banyan Creek Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 4243 Sabal Lake Drive  
 Delray Beach, FL 33445

Principal:  
 Fiscal Year 2017: Allison Castellano  
 During Audit: Allison Castellano

Treasurer:  
 Fiscal Year 2017: Janine Ochacher  
 During Audit: Janine Ochacher

Afterschool Site Director:  
 Fiscal Year 2017: Gale Allen  
 During Audit: Gale Allen

**Cash and Investments**

Checking	\$ 87,041.90
Investments	
	\$ 87,041.90

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	10,149.85	66,526.45	67,595.73	11,272.30	10,945.34	9,407.53
Clubs	16,460.57	22,267.46	18,665.23	17,932.62	19,377.40	18,618.02
Departments	2,677.82	4,432.88	5,188.09	517.22	56.00	2,383.83
Trusts	61,237.17	568,455.08	574,936.28	28,263.16	29,206.75	53,812.38
General	3,447.22	581.56	2,808.83	1,600.19	0.00	2,820.14
	\$ 93,972.63	\$ 662,263.43	\$ 669,194.16	\$ 59,585.49	\$ 59,585.49	\$ 87,041.90

## AFTERSCHOOL PROGRAM

Referral to School Police. The 2017 School Audit identified alleged irregularities in monies collection for the Afterschool Program. Related audit conclusions were referred to the School Police for further actions during the audit. Details of these referred conclusions will be presented in a separate report.

## DEPOSIT OF MONIES

### **Finding**

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that an independent staff verifier did not sign *Section 3* for four pages of the *Drop-Safe Log* (#s 12-60448, 12-60497, 12-60516, and 12-60579) to confirm the collections were recorded in the General Ledger by the treasurer.

### **Recommendation**

Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### ***Management's Response***

*Concur. The District implemented a new policy that will ensure that this oversight of four of many pages does not occur again in the future. It will now be reviewed monthly.*

**Barton Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1700 Barton Road  
Lake Worth, FL 33460

Principal:  
Fiscal Year 2017: Denise Sanon  
During Audit: Denise Sanon

Treasurer:  
Fiscal Year 2017: Diane Witherspoon  
During Audit: Diane Witherspoon

**Cash and Investments**

Checking	\$ 16,608.17
Investments	
	\$ 16,608.17

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	300.00	392.95	92.95	0.00	0.00
Classes	2,758.78	9,414.50	10,059.06	315.00	315.00	2,114.22
Clubs	4,663.21	6,437.85	7,167.63	4,111.16	4,111.16	3,933.43
Departments	1,996.29	5,897.20	6,789.77	10.95	70.95	1,043.72
Trusts	5,596.55	57,458.41	58,406.70	597.24	769.19	4,476.31
General	3,404.11	12,244.25	10,746.87	2,543.07	2,404.07	5,040.49
	\$ 18,418.94	\$ 91,752.21	\$ 93,562.98	\$ 7,670.37	\$ 7,670.37	\$ 16,608.17

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records found that the *Sales Item Inventory Reports* for the Mother's Day Cake Sales (Account #7-0100.04), Catalog Sales (Account #7-0100.01) and T-Shirt Sales (Account #7-0100.02) were not approved by the Principal.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically, the *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing.

### **Management's Response**

*The treasurer will review her records to ensure that these documents were indeed signed by the Principal.*

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of sample disbursements and P-Card purchases found that the school had a *School District Consultant Agreement*, for a total cost of \$4000, with a vendor to provide services to the school. However, the school made sixteen payments to the vendor, totaling \$5,725.82, which exceeded the total contract amount by \$1,725.82. Although total consultant fees exceeded the \$5,000 threshold that requires approval of the Regional Superintendent, Chief Academic Officer, and the Chief of Schools, the *Agreement* was approved only by the Principal. In addition, the Consultant Agreement was not approved by the Principal until 10 working days the services began.

### **Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and the related District guidelines. Specifically, consultant payments should be made in accordance with agreements. An addendum to the agreement should be executed accordingly for additional consultant services beyond the contract amount.

### **Management's Response**

*Concur. As the new contract FY19 with Teamwork USA we will ensure that any disbursements or extra funds giving will be added as an amendment.*

## PRENUMBERED DOCUMENTS

### **Finding**

The school did not maintain the *Prenumbered Document Inventory Register (PBSD 0160)* for the *Drop-safe Logs*.

### **Recommendation**

The Document Custodian should account for each prenumbered document, including *School Checks*, through the use of the *Prenumbered Document Inventory Register (PBSD 0160)* to confirm the periodic inventory check of the forms.

### **Management's Response**

*Concur. In future we will ensure that the procedures for prenumbered documents will be implemented by the assigned person to this task.*

## LEASING OF SCHOOL FACILITIES

### **Finding**

The Central Office's portion of the rental income and sales tax collected from Lease #1001 was not properly allocated. Instead, the income was recorded in the Rental Income Account (#6-3800). As a result, the school under-transmitted \$70 in District Share and \$14 in taxes to the Central Office.

### **Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically, the Central Office's portion of rental income and sales tax should be recorded in the respective Internal Funds accounts and transmitted to the Central Office in accordance with the District's *Approved Rate Schedule*.

### **Management's Response**

*For future leases will ensure that all procedures are adhered to for disbursements of rental income.*

**Beacon Cove Intermediate School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 150 School House Road  
 Jupiter, FL 33458

Principal:  
 Fiscal Year 2017: Leslie Bolte  
 During Audit: Leslie Bolte

Treasurer:  
 Fiscal Year 2017: Catherine Steveson  
 During Audit: Catherine Steveson

Afterschool Site Director:  
 Fiscal Year 2017: Jane Winters  
 During Audit: Jane Winters

**Cash and Investments**

Checking	\$ 63,718.90
Investments	
	\$ 63,718.90

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	13,500.02	29,242.00	30,772.71	13,059.00	13,059.00	11,969.31
Classes	0.00	113,139.95	109,612.18	1,589.90	5,117.67	0.00
Clubs	3,435.65	6,265.00	4,640.07	5,900.95	6,714.84	4,246.69
Departments	16,740.35	37,441.56	46,378.38	14,519.24	10,092.85	12,229.92
Trusts	19,143.79	610,213.87	600,570.20	9,022.20	15,301.05	22,508.61
General	10,976.84	8,002.15	12,408.74	11,250.33	5,056.21	12,764.37
	\$ 63,796.65	\$ 804,304.53	\$ 804,382.28	\$ 55,341.62	\$ 55,341.62	\$ 63,718.90

Beacon Cove Intermediate School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Belle Glade Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 500 N.W. Avenue "L"  
 Belle Glade, FL 33430

Principal:  
 Fiscal Year 2017: Robera Walker-Thompson  
 During Audit: Robera Walker-Thompson

Treasurer:  
 Fiscal Year 2017: Jazzmyn Shirley/Marili Alpiza  
 During Audit: Marili Alpiza

**Cash and Investments**

Checking	\$ 34,402.05
Investments	
	\$ 34,402.05

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	0.00	20,155.24	16,071.32	270.03	4,353.89	0.06
Clubs	5,590.24	0.00	1,670.58	1,811.32	361.90	5,369.08
Departments	2,287.92	4,557.19	3,734.99	2,548.83	3,353.77	2,305.18
Trusts	11,006.39	45,225.97	31,668.49	10,423.31	12,581.57	22,405.61
General	77.09	13,705.87	15,058.48	12,114.32	6,516.68	4,322.12
	\$ 18,961.64	\$ 83,644.27	\$ 68,203.86	\$ 27,167.81	\$ 27,167.81	\$ 34,402.05

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchases found that:

- Three disbursements (#10812 for \$11,375; #10866 for \$425; and #10867 for \$913.75) did not have any documentation for the expenses.
- Disbursements #10814 (for \$960) was payment for a bounce house with attendants for a December 20, 2016, event. However, the related *School District Consultant Agreement (PBSD 1420)* was neither signed by the consultant nor approved by the Principal. Moreover, Disbursement #10865 (for \$1,510) was payment for a bounce house from the same vendor with attendants for a May 24, 2017, event. However, the disbursement for this event did not have a *School District Consultant Agreement (PBSD 1420)* and *Certificate of Insurance*.

### Recommendation

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- Expenditures should be adequately supported by itemized invoices/receipts. The issuance of a school check should be supported by a Principal-approved *Check Requisition*. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) the consultant's background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465 (Jessica Lunsford Act)*.
- Entertainment for school activities should be administered in accordance with the District's *Special Events Guide for Insurance and Loss Prevention*. Moreover, the school should ensure the required proof liability insurance coverage from the vendor is accurate and complete.

### Management's Response

*Concur. Bookkeeper will ensure that all check requisitions are correct prior to printing any checks. Consultant Agreements will be completed correctly in a timely manner. Documentation for school activities will align with the District guidelines.*

## PRENUMBERED DOCUMENTS

### **Finding**

The review of controls in prenumbered documents found the following, the school did not maintain the *Document Custodian Assignment Register* (PBSD 1663).

### **Recommendation**

To ensure proper fiscal controls and accountabilities, and as required by *Chapter 27 of the Internal Accounts Manual*, designated staff should be assigned as document custodian for each prenumbered form; and the assignment should be recorded on the *Document Custodian Assignment Register* (PBSD 1663) and approved by the Principal.

*Concur. Document Custodian has been assigned for each prenumbered document and has completed online trainings.*

**Belvedere Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 3000 Parker Avenue  
 West Palm Beach, FL 33405

Principal:  
 Fiscal Year 2017: Diane Mahar  
 During Audit: Diane Mahar

Treasurer:  
 Fiscal Year 2017: Adis Garcia  
 During Audit: Adis Garcia

Afterschool Site Director:  
 Fiscal Year 2017: Connie Abston  
 During Audit: Connie Abston

**Cash and Investments**

Checking	\$ 26,804.06
Investments	
	\$ 26,804.06

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	0.00	235.00	235.00	0.00	0.00	0.00
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	639.57	10,941.58	11,141.22	0.00	0.00	439.93
Trusts	21,605.68	111,552.57	109,507.42	1,379.54	1,664.12	23,366.25
General	4,171.34	3,450.30	4,908.34	1,164.58	880.00	2,997.88
	\$ 26,416.59	\$ 126,179.45	\$ 125,791.98	\$ 2,544.12	\$ 2,544.12	\$ 26,804.06

Belvedere Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Benoist Farms Elementary School**

**Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1765 Benoist Farms Road  
West Palm Beach, FL 33411

Principal:  
Fiscal Year 2017: Ruthann Miller  
During Audit: Ruthann Miller

Treasurer:  
Fiscal Year 2017: Robin McLaughlin  
During Audit: Robin McLaughlin

Afterschool Site Director:  
Fiscal Year 2017: Calvin Lewis  
During Audit: Calvin Lewis

**Cash and Investments**

Checking	\$ 6,375.96
Investments	
	<u>\$ 6,375.96</u>

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	107.36	299.00	406.36	0.00	0.00	0.00
Classes	324.79	0.00	119.75	0.00	0.00	205.04
Clubs	714.24	1,658.00	2,034.74	612.50	612.50	337.50
Departments	489.20	4,988.63	5,019.82	152.00	152.00	458.01
Trusts	7,763.33	129,903.52	132,135.87	4,343.00	4,693.00	5,180.98
General	1,039.44	2,441.86	3,636.87	430.00	80.00	194.43
	<u>\$ 10,438.36</u>	<u>\$ 139,291.01</u>	<u>\$ 143,353.41</u>	<u>\$ 5,537.50</u>	<u>\$ 5,537.50</u>	<u>\$ 6,375.96</u>

## AFTERSCHOOL PROGRAM

### Finding

The review of Afterschool Program records found that:

- As of June 30, 2017, the school's Afterschool Program had a year-end deficit of \$17,123.
- The review of Afterschool Program payment records found that the April 2017 program charges of \$172 for one student were reversed without an explanation.
- The *Registration Form* for one student was missing.
- The principal approved partial fee waivers for two Afterschool Program students. However, the *School-Based Partial Fee Waiver Application Form* for one student had no supporting documentation. Required documentation include prior year W-2 form, verification of housing payments, a letter from the parent/legal guardian stating reason for requested waiver, and a current paycheck stub.

### Recommendation

Afterschool program should be administered in accordance with *Afterschool Programs Operational Manual*. Specifically,

- The Afterschool Program is a self-sufficient program funded by user-fees, the school should monitor closely the program's financial condition.
- To protect the best interests of students, the *Afterschool Programs Registration Form* for each student should be completed with all the needed information and signed by the parent/guardian.
- Fee waivers should be adequately documented in accordance with the *Afterschool Programs Operational Manual*.

### Management's Response

*Concur. New staff member taking over billing/collection of funds. Afterschool department/director is aware of the deficiencies in my afterschool. New staff member meets with the Principal bi-weekly to discuss payments/monies collected.*

**Berkshire Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1060 South Kirk Road  
West Palm Beach, FL 33406

Principal:  
Fiscal Year 2017: Diana Perez  
During Audit: Diana Perez

Treasurer:  
Fiscal Year 2017: Brizeida Lora  
During Audit: Brizeida Lora

Afterschool Site Director:  
Fiscal Year 2017: Josephine Costa  
During Audit: Gaetanne Breus

**Cash and Investments**

Checking	\$ 40,664.57
Investments	
	\$ 40,664.57

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	548.64	42,353.00	36,967.19	5,284.39	4,892.17	6,326.67
Clubs	0.00	0.00	0.00	380.45	0.00	380.45
Departments	8,828.27	25,339.31	25,780.86	42.95	42.95	8,386.72
Trusts	30,321.26	609,208.76	618,147.80	32,957.30	33,903.22	20,436.30
General	5,831.49	20,682.01	21,552.32	9,395.15	9,221.90	5,134.43
	\$ 45,529.66	\$ 697,583.08	\$ 702,448.17	\$ 48,060.24	\$ 48,060.24	\$ 40,664.57

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraising documentation for the Chocolate Sales Fundraiser (Account #6-0400.01) and the Carnation Sales (Account #3-3400.01) found that:

- The fundraiser sponsors did not complete the required annual eLearning Fundraiser Training Course for Fiscal Year 2017; and
- *Sales Item Inventory Reports* were not prepared.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- The *Sales Item Inventory Report* should be prepared and completed with accurate information. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue.

### Management's Response

*Concur. There is a new sponsor for FY18 and has completed the eLearning Fundraiser Training.*

## AFTER SCHOOL PROGRAM

### Finding

As of November 13, 2017, the 2017 Afterschool Program Summer Camp had an accounts receivable balance of \$2,072.60 from nine student accounts.

### Recommendation

Afterschool Programs should be self-sufficient supported by user fees. To ensure fiscal accountability, program fees should be collected in advance as required by the *Afterschool Programs Summer Camp Operational Manual*.

Berkshire Elementary School  
Management Letter  
Year Ended June 30, 2017

*Management's Response*

*Concur. Program fees will be collected prior to the first session of summer camp.*

**Binks Forest Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 15101 Bent Creek Road  
Wellington, FL 33414

Principal:  
Fiscal Year 2017: Michella Levy  
During Audit: Michella Levy

Treasurer:  
Fiscal Year 2017: Lisa Molbogot  
During Audit: Lisa Molbogot

Afterschool Site Director:  
Fiscal Year 2017: Samantha Greene  
During Audit: Samantha Greene

**Cash and Investments**

Checking	\$ 153,381.09
Investments	
	\$ 153,381.09

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,145.52	2,010.00	546.17	477.15	477.15	2,609.35
Classes	18,989.42	146,697.04	143,642.49	21,815.25	27,212.00	16,647.22
Clubs	3,801.60	39,122.38	40,145.23	919.61	1,166.74	2,531.62
Departments	6,896.25	55,464.33	32,047.17	10,579.33	9,901.60	30,991.14
Trusts	92,114.43	904,924.60	918,443.20	27,273.96	26,815.44	79,054.35
General	27,794.72	37,087.87	47,842.81	17,673.58	13,165.95	21,547.41
	\$ 150,741.94	\$1,185,306.22	\$1,182,667.07	\$ 78,738.88	\$ 78,738.88	\$ 153,381.09

Binks Forest Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Boca Raton Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 103 S.W. 1st Avenue  
Boca Raton, FL 33432

Principal:  
Fiscal Year 2017: Renee Elfe  
During Audit: Renee Elfe

Treasurer:  
Fiscal Year 2017: Tanya Hixson/Alexandra Westgate-Durette  
During Audit: Alexandra Westgate-Durette

Afterschool Site Director:  
Fiscal Year 2017: Thamara Pierre/JoVaNina Bossa  
During Audit: JoVaNina Bossa

Cash and Investments

Checking	\$ 13,892.10
Investments	
	\$ 13,892.10

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	83.77	1,732.00	1,452.64	104.56	104.56	363.13
Classes	0.00	1,569.65	1,625.93	59.10	0.00	2.82
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	2,195.34	3,806.30	2,664.40	1,018.23	1,368.23	2,987.24
Trusts	10,481.29	123,803.14	124,058.70	1,857.43	1,457.43	10,625.73
General	1,872.13	4,362.70	6,212.55	1,237.73	1,346.83	( 86.82)
	\$ 14,632.53	\$ 135,273.79	\$ 136,014.22	\$ 4,277.05	\$ 4,277.05	\$ 13,892.10

Boca Raton Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Calusa Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 2051 Clint Moore Road  
Boca Raton, FL 33496

Principal:  
Fiscal Year 2017: Dianne Rivelli-Schreiber  
During Audit: Dianne Rivelli-Schreiber

Treasurer:  
Fiscal Year 2017: Lynda Kramer  
During Audit: Lynda Kramer

Afterschool Site Director:  
Fiscal Year 2017: Laurie Ostrow  
During Audit: Laurie Helfman

**Cash and Investments**

Checking	\$ 76,671.43
Investments	
	\$ 76,671.43

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,146.12	3,797.00	1,443.24	535.00	25.00	4,009.88
Classes	4,639.74	112,948.14	109,026.22	12,187.94	17,162.46	3,587.14
Clubs	2,122.92	96,922.70	92,909.18	11,048.98	10,400.11	6,785.31
Departments	13,220.38	19,290.70	14,522.31	7,752.49	6,522.10	19,219.16
Trusts	33,382.83	848,748.80	848,779.81	27,091.17	36,024.72	24,418.27
General	8,516.51	41,500.80	42,884.45	26,515.99	14,997.18	18,651.67
	\$ 63,028.50	\$1,123,208.14	\$1,109,565.21	\$ 85,131.57	\$ 85,131.57	\$ 76,671.43

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The Coupon Book Sales (Account #4-4300.02) had a total sales revenue of \$6,250, which was deposited into the Internal Funds during January 23, through April 5, 2017. However, based on the school’s purchasing records and the *Sales Item Inventory Report* for School Year 2017, this fundraiser should have generated a total estimated revenue of \$7,025. As a result, \$775 in estimated revenue (or 31 coupon books) was unaccounted for. Moreover, the sponsor signed the contract instead of the Principal.

Item	Quantity					Selling Price	Revenues
	Beginning Inventory <sup>(1)</sup>	Purchases <sup>(2)</sup>	Items Returned to Vendor <sup>(3)</sup>	Inventory On Hand <sup>(1)</sup>	Units Sold		
T-shirts	0	350	69	0	281	\$25	\$7,025
Total \$ Deposited into Internal Funds							\$6,250
<i>Estimated Revenues Unaccounted For</i>							<u><u>\$775</u></u>

- (1) Based on *FY17 Sales Item Inventory Report*.
- (2) Based on purchasing records during July 1, 2016, through June 30, 2017.
- (3) Based on vendor’s contract.

**Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and the related District guidelines. Specifically,

- The *Sales Item Inventory Report* should be completed with accurate information for each fundraiser and be approved by the principal. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue.
- All contracts should be approved by the Principal as required by ***School Board Policy 6.14(4)***, which states “*the School Board has delegated limited authority to ... School Principals relating to the purchase of commodities and contractual services ...*” and “*No person, unless specifically authorized to purchase commodities or contractual services under School Board policies, may make any purchase or enter into any contract involving the use of school or School District funds.*”

**Management’s Response**

*Concur. Informed at a meeting that donations under \$50 did not need to be itemized. These 31 books were donated due to expiring coupons and/or those families who could not afford. For the future, we will itemize donations and I will sign the contract. Noted as of Feb. 2018.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of records for school facilities leasing found that:

- Lease #1040 should have brought in a total leasing revenue of \$428. However, as of November 1, 2017, leasing charges for this Lease had not been collected. We brought this to the attention of school staff. On December 5, 2017, the lessee paid the leasing charges in full.
- *Lease Agreement* #1033 was not signed by a witness.

### Recommendation

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- As required by ***School Board Policy 7.18***, “*fees are to be paid by check or credit card at least forty-eight (48) hours prior to use of a facility.*”
- To ensure *Lease Agreements* are legally enforceable, they should be executed with all the required signatures prior to the use of facilities by lessees..

### ***Management’s Response***

*Concur.*

**Cholee Lake Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 6680 Dillman Road  
 Greenacres, FL 33413

Principal:  
 Fiscal Year 2017: Marline Campbell  
 During Audit: Marline Campbell

Treasurer:  
 Fiscal Year 2017: LaSonya Martin  
 During Audit: LaSonya Martin

Afterschool Site Director:  
 Fiscal Year 2017: Jocelyn Cardona  
 During Audit: Jocelyn Cardona

**Cash and Investments**

Checking	\$ 45,741.21
Investments	
	\$ 45,741.21

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	2,553.57	4,227.50	5,603.72	2,251.80	2,251.80	1,177.35
Classes	8,525.11	63,363.98	55,380.71	19,687.84	19,750.04	16,446.18
Clubs	3,244.44	5,447.75	5,241.27	3,702.31	3,702.31	3,450.92
Departments	4,091.83	19,554.08	17,118.68	3,262.86	3,160.66	6,629.43
Trusts	8,549.41	194,969.35	188,527.70	6,787.30	6,827.30	14,951.06
General	2,141.09	4,067.58	3,122.40	2,168.40	2,168.40	3,086.27
	\$ 29,105.45	\$ 291,630.24	\$ 274,994.48	\$ 37,860.51	\$ 37,860.51	\$ 45,741.21

Cholee Lake Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Citrus Cove Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 8400 Lawrence Road  
 Boynton Beach, FL 33436

Principal:  
 Fiscal Year 2017: Laura Green  
 During Audit: Laura Green

Treasurer:  
 Fiscal Year 2017: Cheryl Conner  
 During Audit: Cheryl Conner

Afterschool Site Director:  
 Fiscal Year 2017: Sheila Ross  
 During Audit: Sheila Ross

**Cash and Investments**

Checking	\$ 58,270.72
Investments	
	\$ 58,270.72

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,918.68	11,287.50	12,784.39	275.41	292.82	404.38
Classes	0.00	49,072.29	42,999.44	6,413.05	12,485.90	0.00
Clubs	6,384.42	0.00	754.77	0.00	0.00	5,629.65
Departments	10,832.76	18,590.86	19,864.52	2,715.27	2,630.39	9,643.98
Trusts	36,689.28	723,439.29	726,817.30	20,795.14	22,876.22	31,230.19
General	9,092.80	13,087.64	18,904.38	9,210.46	1,124.00	11,362.52
	\$ 64,917.94	\$ 815,477.58	\$ 822,124.80	\$ 39,409.33	\$ 39,409.33	\$ 58,270.72

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- Some sponsors did not always record the deposit information on the *Drop-safe Log* before depositing the monies into the safe. For example, \$992.44 for three collections on pages #12-64230 and #50-08064 were not recorded on the *Log*. Subsequently, the school treasurer recorded the information when the collections were removed.
- \$2,754.44 collected through four MCRs (#s 751-1, 847-7, 847-3, and 847-10) was retained by the sponsor for one to five working days before they were put into the drop-safe for deposit.

### Recommendation

Money collections should be administered in accordance with *Internal Accounts Manual*, and District guidelines. Specifically,

- To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO*, deposit information should be properly recorded on the *Drop-safe Log*.
- *DOE Rules* and *District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted exposure and result in potential irregularities.

### Management's Response

*Concur. Reviewed procedures with all staff and will monitor deposits.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

Two P-Card purchases (totaling \$767.71) during December 2016 included sales tax of \$43.44. All purchases by the school should be sales tax exempted.

### **Recommendation**

The School District is a tax-exempt governmental entity, and should not pay sales tax for qualified purchases.

### ***Management's Response***

*One of the receipts was for staff event and it was indicated on the receipt therefore tax was appropriate. The other was a vendor approved company and they were to submit the corrected updated receipt as indicated.*

## **AFTERSCHOOL PROGRAM**

### **Finding**

The review of the Afterschool Program records found that:

- The *Afterschool Programs Registration Form* for one sampled student was not completed with all the required information related to custody and emergency contacts.
- The EZ Care database (the Afterschool Program's accounting system) was not accurately maintained. One student was billed at the part-time rate instead of full-time. As a result, the student's account had a credit balance of \$1,032.68.

### **Recommendation**

Afterschool Program should be administered in accordance with District's guidelines and *Afterschool Programs Operational Manual*. Specifically,

- To protect the best interests of students, the *Afterschool Programs Registration Form* for each student should be completed with all the mandated information, and signed by the parent/guardian.
- To ensure proper fiscal accountability, Afterschool Program financial transactions should be accurately recorded in the EZ Care database and periodically reconciled to the Internal Funds records. The school should make adjustments to correct the records.

### ***Management's Response***

*Concur. Reviewed with Afterschool staff and will monitor all forms on a regular basis.*

**Clifford O. Taylor/Kirklane Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 4200 Purdy Lane  
Palm Springs, FL 33461

Principal:  
Fiscal Year 2017: Patricia Lucas  
During Audit: Patricia Lucas

Treasurer:  
Fiscal Year 2017: Raysa Serpa  
During Audit: Raysa Serpa

Afterschool Site Director:  
Fiscal Year 2017: Cybil Askew  
During Audit: Cybil Askew

**Cash and Investments**

Checking	\$ 58,817.62
Investments	
	\$ 58,817.62

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	430.00	446.07	132.82	116.75	0.00
Classes	12,509.22	110,606.45	109,590.20	22,318.71	22,288.71	13,555.47
Clubs	1,068.52	2,313.71	2,104.74	910.80	1,033.72	1,154.57
Departments	4,010.61	27,315.53	26,012.61	2,505.94	2,252.94	5,566.53
Trusts	29,173.70	379,096.15	372,879.11	432.00	2,307.88	33,514.86
General	469.38	26,868.48	24,011.40	8,978.49	7,278.76	5,026.19
	\$ 47,231.43	\$ 546,630.32	\$ 535,044.13	\$ 35,278.76	\$ 35,278.76	\$ 58,817.62

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsors of the following three fundraisers did not complete the required eLearning Fundraiser Training Course prior to conducting the fundraiser activities:

Fundraiser Activity	Account Number	Activity Began	Training Completed
5 <sup>th</sup> Gr. Chocolate Sales	#3-3500.03	2/13/2017	Did not complete
Yearbook Sales	#7-0100.07	12/19/2016	5/3/2017
T-shirt Sales	#7-0100.05	8/12/2016	5/3/2017

- The *Sales Item Inventory Report* for the Chocolate Candy Sales Fundraiser (Account #3-3500.03) was not approved by the Principal. Also, the *Fundraiser Application/Recap Form* was not verified by the treasurer.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.
- the *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing.

### Management's Response

*Concur. Principal will monitor compliance of fundraisers more closely. She will monitor mandatory training compliance for 100% participation.*

## AFTER SCHOOL PROGRAM

### Finding

The 2017 Afterschool Program Summer Camp ended on August 4<sup>th</sup>. However, as of September 26, 2017, this program had an accounts receivable balance of \$7,182.63 from 28 student accounts.

### Recommendation

Summer Camp should be a self-sufficient supported by user fees. Program fees should be collected in advance as required by *Afterschool Programs Operational Manual*.

***Management's Response***

*Concur. Principal worked with the Afterschool Director and the Afterschool budget personnel to clear up these deficits. The Afterschool Director has been put on notice to follow all budgetary procedures for her program and not allow students to attend without paying or receiving a fee waiver.*

**Coral Reef Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 6151 Hagen Ranch Road  
 Lake Worth, FL 33467

Principal:  
 Fiscal Year 2017: Bobbi Moretto  
 During Audit: Bobbi Moretto

Treasurer:  
 Fiscal Year 2017: Raysa Navarro  
 During Audit: Raysa Navarro

Afterschool Site Director:  
 Fiscal Year 2017: Pat Felice  
 During Audit: Pat Felice

**Cash and Investments**

Checking	\$ 47,732.25
Investments	
	\$ 47,732.25

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	484.22	701.00	731.00	0.00	0.00	454.22
Classes	6,236.75	26,761.85	35,761.02	11,863.15	2,263.15	6,837.58
Clubs	5,492.60	47,167.88	44,765.25	21,142.99	25,888.18	3,150.04
Departments	7,265.61	22,519.66	25,361.23	11,278.59	6,963.84	8,738.79
Trusts	27,998.23	750,636.93	755,251.05	13,331.76	10,496.72	26,219.15
General	1,795.62	27,052.50	14,511.05	6,689.10	18,693.70	2,332.47
	\$ 49,273.03	\$ 874,839.82	\$ 876,380.60	\$ 64,305.59	\$ 64,305.59	\$ 47,732.25

Coral Reef Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Coral Sunset Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 22400 Hammock Street  
 Boca Raton, FL 33428

Principal:  
 Fiscal Year 2017: Danielle Garcia  
 During Audit: Danielle Garcia

Treasurer:  
 Fiscal Year 2017: Tracey Coleman  
 During Audit: Rebecca Lafferty

Afterschool Site Director:  
 Fiscal Year 2017: Evelyn Garcia  
 During Audit: Evelyn Garcia

**Cash and Investments**

Checking	\$ 32,043.83
Investments	
	\$ 32,043.83

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	2,478.10	376.89	1,462.00	1,762.00	1,801.21
Classes	1,919.95	20,439.44	20,520.66	3,499.63	3,737.41	1,600.95
Clubs	2,064.95	0.00	393.58	0.00	691.45	979.92
Departments	4,957.13	17,862.58	15,018.91	5,444.79	6,484.29	6,761.30
Trusts	15,590.12	410,994.21	412,375.19	10,887.10	11,323.39	13,772.85
General	9,019.33	21,694.10	26,290.85	9,174.60	6,469.58	7,127.60
	\$ 33,551.48	\$ 473,468.43	\$ 474,976.08	\$ 30,468.12	\$ 30,468.12	\$ 32,043.83

## DEPOSIT OF MONIES

### Finding

The review of sample Monies Collected Reports (MCRs) and money collection process at the school revealed that:

- Numerous collections marked with the note, “not processed aftercare”, “gave back to teacher see attached”, “TBD” and some had no notation were returned to sponsors for clarification. According to staff, these collections were not ready for deposit. However, there were no records to document that the monies were returned to and received by the sponsors.
- MCRs were not always completed with all the required information. Missing information included the check numbers and payer’s name.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education’s Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Monies collected but returned to the sponsor for clarification should be noted and acknowledged (signed/initialed) by the sponsor on the *Log*. The treasurer should ensure that the monies were returned by the sponsor to the treasurer for deposit, after the clarification was made.
- Monies collected should be supported by MCRs with all the required information, including the account number, remitter’s signature, payer’s name, dollar amount, and check number when appropriate.

### Management’s Response

*If the funds are to be returned to the sponsor it should be noted on the drop safe log that they were returned with the date and initials of the sponsor. The treasurer is not responsible for ensuring the funds are returned and in no circumstances should it be the treasurer for deposit. It must go through the drop safe log process again. I concur to the second bullet.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that the *Sales Item Inventory Report* for the SWPBS Star T-Shirts (Account #6-4406.02) was not reviewed and approved by the Principal. Moreover, The

*Sales Item Inventory Report* did not have any of the required information. Missing information included (1) the beginning and ending inventories, (2) the quantities of items purchased, sold, and given-away, and (3) the selling prices and revenues. Without the fundraisers' sales information, there is no assurance that revenues were properly accounted for.

### **Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. Specifically, to ensure proper fiscal accountability, *Sales Item Inventory Report* should be accurately completed with all needed information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the ending inventory, if any.

### **Management's Response**

*Concur. The Sales Item Inventory Report must be turned in to the Treasurer completed.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The review of sample leases for use of school facilities found that:

- Four leasing activities (#1002, #1003, #1004, and #1006) were recorded in the Tririga System during the year. Two *Lease Agreements* (#1002, and #1004) had a total contract amount of \$240, but no rental fees were collected. According to staff, the rentals for these leases were waived after the lease was entered into the Tririga System. However, the original leases were not revised nor updated in the Tririga System for the waiver. As a result, the Tririga System overstated the school's leasing income by \$240. Moreover, the school did not maintain a hard copy of the executed *Lease Agreements* for Lease #1004.
- Lease #1006 was for the Spring Carnival of Health sponsored by the PTA. However, some of the vendor *Certificates of Insurance* did not name the School Board of Palm Beach County as an additional insured and mistakenly named the school instead.

### **Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- Leasing information should be accurately recorded in the Tririga System; and the record should be updated with new information such as fee waivers, amendments in leasing arrangements.
- To ensure *Lease Agreements* are legally enforceable, they should be properly executed with all the required signatures, prior to the use of facilities by lessees. The school should also maintain a hard copy of the executed *Lease Agreement* for future reference, in addition to recording leasing activities in the Tririga System.
- To protect the School District from unwarranted liability and as required by ***School Board Policy 7.18***, the lessee must “*provide a copy of liability insurance policy in the amount of \$1,000,000, naming the School Board of Palm Beach County as an additional insured, with the Lease Agreement or purchase liability insurance from the School District.*” This will ensure the School Board is well protected.

***Management’s Response***

*Concur. We will follow the recommendations listed on the audit report.*

**Crosspointe Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 3015 South Congree Avenue  
 Boynton Beach, FL 33426

Principal:  
 Fiscal Year 2017: Annemarie Giddings-Dilbert  
 During Audit: Annemarie Giddings-Dilbert

Treasurer:  
 Fiscal Year 2017: Hollis Memoly  
 During Audit: Hollis Memoly

Afterschool Site Director:  
 Fiscal Year 2017: Abeer Khalfa Majdalawi  
 During Audit: Abeer Khalfa Majdalawi

**Cash and Investments**

Checking	\$ 34,851.00
Investments	
	\$ 34,851.00

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.70	333.00	333.70	1.63	1.63	0.00
Classes	5,745.31	27,472.63	22,065.95	4,740.66	10,909.85	4,982.80
Clubs	0.00	391.00	301.04	578.29	668.25	0.00
Departments	4,369.09	8,917.11	11,357.06	1,678.75	1,774.75	1,833.14
Trusts	36,811.07	235,759.34	255,495.18	15,946.31	6,807.42	26,214.12
General	4,112.77	19,296.91	18,805.00	3,312.27	6,096.01	1,820.94
	\$ 51,038.94	\$ 292,169.99	\$ 308,357.93	\$ 26,257.91	\$ 26,257.91	\$ 34,851.00

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that monies collected were not always deposited in a timely manner. For example, \$3,212.42 collected through 12 MCRs (#712-1, #725-4, #725-1, #726-2, #726-3, #726-5, #726-4, #729-3, #744-6, #768-4, #727-2, and #727-4) were retained by the sponsors for one to three working days before they were deposited into the drop-safe. Moreover, four collections totaling \$2,141.09 on two pages of the Drop-safe Log (page #s 12-74907 and 12-74914) were not processed by the school treasurer and deposited into the bank until seven working days after the sponsors put the monies in the safe.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically, *DOE Rules* and *Internal Accounts Manual* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could result in unintended irregularities.

### Management's Response

*Concur. The bookkeeper presented to the staff at our December 5, 2017, faculty meeting and explained the proper way to fill out the monies collected forms. She told them they could not white out on the form but needed to put a line through it and the reason why it needs to be changed. All corrections need to be emailed by the bookkeeper to the teachers so that she has a record of it.*

## SEGREGATION OF DUTIES

### Finding

The review of the *Document Custodian Assignment Register* (PBSD1663) found that the Afterschool Program Director was the assigned custodian for *Afterschool Program Receipts* although the Director also used the receipts for fee collections.

### Recommendation

To ensure proper fiscal accountabilities and as required by *Internal Accounts Manual, Chapter 27*, the custodian for prenumbered form should be someone who is not involved in the day-to-day use of the form. Each assigned document custodian shall use the *Prenumbered Document Inventory Register* (PBSD 0160) to perform the periodic inventory of the prenumbered forms.

***Management's Response***

*Concur. Afterschool director will abide by recommendations.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of records for leasing of school facilities found that:

- The lessee' and witness' signatures' dates for nine *Lease Agreements* (#s 1001, 1002, 1008, 1010, 1015, 1016, 1019, 1020, and 1021) were missing. Moreover, the signature of a witness was missing on Lease #1013.
- Leasing charges for Lease #1008 were not collected from the lessee until 110 days, after the leasehold periods began.

**Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- To ensure Lease Agreements are legally enforceable, they should be executed with all the required signatures prior to the use of facilities by lessees.
- ***School Board Policy 7.18***, requires that leasing charges “*are to be paid by check or credit card (no cash) at least forty-eight (48) hours prior to the use of a facility.*”

**Management's Response**

*Secretary was not aware of timeline and required signatures. She no longer works here.*

**Crystal Lakes Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 6050 Gateway Boulevard  
Boynton Beach, FL 33437

Principal:  
Fiscal Year 2017: Diane Curcio-Greaves  
During Audit: Diane Curcio-Greaves

Treasurer:  
Fiscal Year 2017: Laura Manganello  
During Audit: Laura Manganello

Afterschool Site Director:  
Fiscal Year 2017: Michelle Soto  
During Audit: Michelle Soto

**Cash and Investments**

Checking	\$ 61,866.31
Investments	
	\$ 61,866.31

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	2,981.75	724.00	805.88	857.94	823.94	2,933.87
Classes	6,910.70	19,634.75	20,592.54	3,815.25	3,815.25	5,952.91
Clubs	456.46	619.00	151.95	58.00	92.00	889.51
Departments	12,260.13	18,910.04	22,914.25	5,401.84	5,532.30	8,125.46
Trusts	29,610.45	539,797.77	527,378.33	8,117.65	10,342.13	39,805.41
General	924.39	15,967.46	15,087.64	2,356.67	1.73	4,159.15
	\$ 53,143.88	\$ 595,653.02	\$ 586,930.59	\$ 20,607.35	\$ 20,607.35	\$ 61,866.31

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records found that the Safety Patrol-Spirit Shirts (Account #6-4000.02) did not have the required *Sales Item Inventory Report*. Without the *Report*, we were not able to ascertain all the money collected from the fundraiser was properly accounted for.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically, *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information should assist staff in reconciling the sales revenue with the estimated revenue.

### ***Management's Response***

*Concur.*

**Cypress Trails Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 133 Park Road North  
Royal Palm Beach, FL 33411

Principal:  
Fiscal Year 2017: Shari Bremekamp  
During Audit: Shari Bremekamp

Treasurer:  
Fiscal Year 2017: Erica Rolf  
During Audit: Judy Smith

Afterschool Site Director:  
Fiscal Year 2017: Kelly Hughes- Hinde  
During Audit: Kelly Hughes- Hinde

**Cash and Investments**

Checking	\$ 48,859.00
Investments	
	\$ 48,859.00

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	976.06	70.00	239.94	0.00	0.00	806.12
Classes	0.00	28,709.00	24,496.28	7,199.07	11,160.21	251.58
Clubs	1,817.00	0.00	353.81	0.00	1,002.65	460.54
Departments	5,647.79	10,250.34	7,924.72	2,498.22	2,432.22	8,039.41
Trusts	30,962.10	327,497.90	325,025.31	12,332.58	12,057.58	33,709.69
General	5,337.41	6,729.46	11,098.00	8,662.07	4,039.28	5,591.66
	\$ 44,740.36	\$ 373,256.70	\$ 369,138.06	\$ 30,691.94	\$ 30,691.94	\$ 48,859.00

Cypress Trails Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Del Prado Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 7900 Del Prado Circle  
Boca Raton, FL 33433

Principal:  
Fiscal Year 2017: Rachel Capitano  
During Audit: Kathryn H. Morem

Treasurer:  
Fiscal Year 2017: Maria Leggio  
During Audit: Maria Leggio

Afterschool Site Director:  
Fiscal Year 2017: Lori Goldfinger  
During Audit: Lori Goldfinger

**Cash and Investments**

Checking	\$ 93,855.99
Investments	
	\$ 93,855.99

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,532.57	540.00	0.00	1,055.00	540.00	2,587.57
Classes	13.50	54,214.85	65,632.40	20,678.71	9,238.73	35.93
Clubs	5,123.58	7,943.33	5,744.18	3,197.05	3,197.05	7,322.73
Departments	11,054.09	29,532.80	28,070.73	11,120.12	6,890.12	16,746.16
Trusts	44,974.01	640,268.92	618,258.84	22,728.64	28,386.11	61,326.62
General	9,227.09	36,900.34	29,762.94	17,354.84	27,882.35	5,836.98
	\$ 71,924.84	\$ 769,400.24	\$ 747,469.09	\$ 76,134.36	\$ 76,134.36	\$ 93,855.99

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sampling of *Monies Collected Reports* (MCRs) at the school found that:

- *Section 1* of the *Drop-safe Log* was not always completed with all the required information. Missing information included the dates of collections and the dates when the collections were put into the drop-safe.
- Monies collected were not always deposited in a timely manner. For example, a total of \$334 collected through seven MCRs (# 563-6, #566-24, #566-42, #566-43, #585-19, #585-20, and # 585-21) were retained by the sponsors for one to three working days before they were put into the drop-safe for deposit.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- As required by *DOE Rules* and District *Bulletin #P-14051-S/CFO*, monies collected should be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could increase the exposure to sponsors and result in potential irregularities.

### Management's Response

*Concur. All recommendations will be applied. Management will ensure all staff has taken the required eLearning training to ensure adherence to proper procedures for managing to further review and reinforce the required procedures.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that although a *Sales Item Inventory Report* for the Art Show Fundraiser (Account #5-0100.02) was prepared and signed by the sponsor, it was not completed with accurate information. The Report was completed with the costs of the items purchased for resale, instead of the actual sales price. Moreover, the sponsor for this fundraiser did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2017.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure proper fiscal accountability, *Sales Item Inventory Report* should be completed with all the accurate information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking items purchased, given-away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.
- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.

### Management's Response

*Concur. Management ran a query to determine any outstanding trainings required to be taken by teachers. Notification was submitted to teachers who have not taken the required fund raising training course with the requirement to complete by 12/31/17. Management held a meeting with the bookkeeper and secretary to review procedures for maintaining accurate and timely records for required staff training.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of records for sample disbursements and P-Card purchases found that:

- Two disbursements (#12595 for \$35,824, and #12538 for \$13,350) were payments for admission and transportation for Out-of-State and Out of-County field trips to Washington DC and Orlando, respectively. However, the related *Field Trip/Activity Planning Report and Approval Request* forms were not approved by the Regional/Instructional Superintendent.

There were no *Temporary Duty Elsewhere (TDE) Form* for one staff member who took the Out-of-State Washington DC trip.

- Disbursement #12599 (for \$1,805.73) was payment for purchase of uniforms for Afterschool staff members. This disbursement included \$118.13 in sales tax. Sales tax should not be paid for eligible school purchases.
- Disbursements #12653 (for \$404.15) was reimbursement to an employee for classroom purchases from July 12, 2016 through April 22, 2017; however, the items from three invoices were shipped to the staff's home address instead of the school.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- Field trips should be administered in accordance with *School Board Policy 2.40*. Specifically, (1) field trips should be pre-approved by the Principal with adequate documentation, (2) in-county field trips should be approved by the Principal, and (3) out-of-county field trips should be approved by the Principal and Regional/Instructional Superintendent.
- The School District is a sales tax-exempt governmental entity, and should not pay sales tax for qualified purchases.
- School assets should be properly safeguarded and stay on school campus; and should be used only for District purposes. As required by *School Board Policy 3.02, Code of Ethics, Section 5.f.*, “we are committed to ensuring that District facilities, equipment, supplies, or other District resources are used for District purposes only. Except for occasional and incidental personal use, we will not tolerate improper use of public resources, and will report and reimburse the District for costs associated with personal use.”

### **Management's Response**

*Concur. Management will ensure TDEs are submitted and approved in accordance with district policy for field trip planning and travel. While there is not a policy that mandates all items be delivered to the school, management will ensure all items purchased with the school-based funding will be shipped to the school address in accordance with school board policy 3.02 on the use of district equipment by admonishing staff of these procedures during a faculty meeting and email.*

Del Prado Elementary School  
Management Letter  
Year Ended June 30, 2017

***Additional comments***

*Management met with the secretary and bookkeeper to establish revised procedures for ensuring anyone traveling on a field trip has met the requirements before date of travel including evidence of approved TDE, field trip approval, and eLearning training.*

**Diamond View Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 5300 Haverhill Road  
Greenacres, FL 33463

Principal:  
Fiscal Year 2017: Carolyn Seal  
During Audit: Carolyn Seal

Treasurer:  
Fiscal Year 2017: Wendy Martin  
During Audit: Virginia Barney

Afterschool Site Director:  
Fiscal Year 2017: Luis Lebron  
During Audit: Luis Lebron

**Cash and Investments**

Checking	\$ 74,188.02
Investments	
	\$ 74,188.02

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,317.36	382.00	139.25	0.00	0.00	1,560.11
Classes	0.00	41,194.70	38,469.33	8,221.25	10,946.62	0.00
Clubs	6,422.28	17,955.05	10,012.77	8,494.15	16,032.99	6,825.72
Departments	6,185.90	8,813.21	11,054.56	2,086.71	2,129.21	3,902.05
Trusts	42,718.91	290,392.28	291,649.10	8,254.31	1,158.59	48,557.81
General	8,320.48	8,681.78	6,870.92	4,566.99	1,356.00	13,342.33
	\$ 64,964.93	\$ 367,419.02	\$ 358,195.93	\$ 31,623.41	\$ 31,623.41	\$ 74,188.02

Diamond View Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Discovery Key Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 3550 Lyons Road  
Lake Worth, FL 33467

Principal:  
Fiscal Year 2017: Catherine Lewis  
During Audit: Catherine Lewis

Treasurer:  
Fiscal Year 2017: Stacy Cohen / Mayra Stambaugh  
During Audit: Mayra Stambaugh

Afterschool Site Director:  
Fiscal Year 2017: Jacqueline Gersley  
During Audit: Jacqueline Gersley

**Cash and Investments**

Checking	\$ 56,544.33
Investments	
	\$ 56,544.33

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	3,126.14	50,023.19	45,054.68	6,312.15	6,305.15	8,101.65
Clubs	1,585.19	16,575.95	9,588.00	8,080.50	13,731.29	2,922.35
Departments	19,151.75	19,089.47	19,486.11	1,301.58	1,301.58	18,755.11
Trusts	29,590.28	527,425.90	536,320.41	7,225.79	1,997.70	25,923.86
General	12,916.71	11,735.00	24,226.05	422.70	7.00	841.36
	\$ 66,370.07	\$ 624,849.51	\$ 634,675.25	\$ 23,342.72	\$ 23,342.72	\$ 56,544.33

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- *Section 1* of the Drop-safe Log was not always completed with all the required information. For example, the sponsors did not record the dates when the collections were deposited into the drop-safe for 18 collections, totaling \$12,417.
- *Section 3* on four pages of the *Drop-safe Log* (#s 12-68116 through 12-68119) were not signed by an independent staff verifier to verify that the collections were recorded in the General Ledger by the treasurer.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur. Additional training will be provided to staff on proper way to complete logs, including examples. Procedures are already in place for documenting who receives the SACC bags back; SACC personnel receiving bag is initialing. Weekly verification of logs by treasurer to ensure all sections are completed per policy.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records revealed that:

- The sponsor of the 5<sup>th</sup> Grade T-shirt Sales (Account #3-3500.01) did not prepare the *Sales Item Inventory Report*. A total of \$1,330.00 in sales revenues was deposited into the Internal Funds during the period November 18, through December 14, 2016. Based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of

Discovery Key Elementary School  
 Management Letter  
Year Ended June 30, 2017

\$1,470.00. As a result, \$140 (\$1,470 – 1,330, or 10%) in estimated revenue was unaccounted for. According to staff, some T-shirts were given-away without records documenting the purpose and the recipients of the gifts. That might have contributed to the \$140 discrepancy in revenue. Moreover, the sponsor did not complete the Recap (actual sales) section of the *Fundraising Application/Recap Form*.

Item	Quantity					Selling Price	Revenues
	Beginning Inventory	Purchases <sup>(1)</sup>	Items Given Away	Inventory On Hand	Units Sold		
5 <sup>th</sup> Grade T-shirts	0	105	0	0	105	\$14	\$1,470
Total Estimated Revenues							\$1,470
Total Sales Revenues Collected							\$1,330
<b><i>Estimated Revenues Unaccounted For</i></b>							<b><u>\$140 (10%)</u></b>

(1) Based on purchasing records during November 14, 2016, though December 14, 2016.

- The sponsor of the Patrol Coupon Book Sales (Account #4-4300.01) did not prepare the *Fundraising Application/Recap Form* and *Sales Item Inventory Report*. A total of \$16,325 in sales revenue was deposited into the Internal Funds during the period August 24, through December 22, 2016. Based on the school’s purchasing records, this fundraiser should have generated a total estimated revenue of \$16,700.00. As a result, \$375 (\$16,700 – 16,325) in estimated revenue was unaccounted for.

Item	Quantity					Selling Price	Revenues
	Beginning Inventory	Purchases <sup>(1)</sup>	Items Given Away	Inventory On Hand	Units Sold		
Patrol Coupon Book	0	668	0	0	668	\$25	\$16,700
Total Estimated Revenues							\$16,700
Total Sales Revenues Collected							\$16,325
<b><i>Estimated Revenues Unaccounted For</i></b>							<b><u>\$375 (2%)</u></b>

(1) Based on purchasing records during August 24, 2016, though December 22, 2016.

**Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal, verified by the Bookkeeper and documented in the *Fundraising Application/Recap Form*.

- To ensure proper fiscal accountability, *Sales Item Inventory Report* should be completed with accurate information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.
- This finding will be forwarded to the Office of Professional Standards for appropriate action.

### ***Management's Response***

*Concur. Review of fundraiser policy by bookkeeper and sponsors of activities noted 5<sup>th</sup> grade t-shirts, patrol coupon books. This year's fundraisers have been reviewed and are in compliance with policy.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

The review of sample disbursements and P-Card records found that:

- Disbursement #13398 (for \$350) was a payment to a consultant for Disc-Jockey services for the May 31, 2017 Fifth Grade Dance. The disbursement was supported by a contract which was signed by the PTA President instead of the Principal. Moreover, the engagement of this consultant did not have a *School District Consultant Agreement (PBSD 1420)*.
- Disbursement #13262 (for \$47,250) was payment for Field Trip expenses to Washington, DC. However, the trip did not have the required *Fieldtrip Requests* and *TDE Forms* were not approved by the Regional/Instructional Superintendent. Moreover, the receipt was not defaced (stamped "PAID") after payment in order to prevent duplicate payments.
- Disbursements #13390 (for \$2,980) was for transportation to the Miami Zoo for an Out-of-County field trip on May 17, 2017. However, the school did not have the required *Temporary Duty Elsewhere (TDE) Forms* for the staff for this trip.
- Four P-Card transactions, totaling \$ 4,861.50, were for payments of admission tickets and transportation for Summer Camp Out-of-County field trips. However, the required *Field Trip Request Form* was not approved by the Regional/Instructional Superintendent, and the *Temporary Duty Elsewhere (TDE) Forms* for the staff were not approved by the Principal, or the Regional/Instructional Superintendent.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- To protect the safety and welfare of students, prior to the consultant performing services at the school, (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) the consultant's background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465(Jessica Lunsford Act)*.
- Field trips should be administered in accordance with *School Board Policy 2.40*. Specifically, (1) field trips should be pre-approved by the Principal with adequate documentation, (2) in-county field trips should be approved by the Principal, and (3) out-of-county field trips should be approved by the Principal and Regional/Instructional Superintendent.
- To avoid duplicate payments, supporting documentation should be defaced (stamped "PAID") after payment.

### **Management's Response**

*Concur. Bookkeeper has reviewed lease procedures including leases for PTA events, and those sponsored by PTA. Field Trips are reviewed monthly for completion of all forms including teacher TDEs as per policy.*

**Dr. Mary McLeod Bethune Elem School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1501 Avenue "U"  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2017: Katrina Granger  
During Audit: Katrina Granger

Treasurer:  
Fiscal Year 2017: Latasha Smart  
During Audit: Latasha Smart

**Cash and Investments**

Checking	\$ 24,822.49
Investments	
	\$ 24,822.49

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	3,238.81	0.00	127.74	0.00	0.00	3,111.07
Classes	4,827.21	9,519.00	10,946.44	2,356.81	1,159.80	4,596.78
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	1,396.46	250.00	251.03	0.00	0.00	1,395.43
Trusts	16,425.38	27,396.76	26,695.33	1,037.00	2,234.01	15,929.80
General	1,507.10	3,694.93	5,412.62	0.00	0.00	( 210.59)
	\$ 27,394.96	\$ 40,860.69	\$ 43,433.16	\$ 3,393.81	\$ 3,393.81	\$ 24,822.49

## LEASING OF SCHOOL FACILITIES

### **Finding**

The review of facility leasing found that payment for *Lease Agreement #1024* was not collected until 71 days after the use of facilities by lessee.

### **Recommendation**

*School Board Policy 7.18*, requires that leasing charges “are to be paid by check or credit card (no cash) at least forty-eight (48) hours **prior to** the use of a facility.”

### **Management’s Response**

*Concur. This has been corrected. The treasurer will collect fees in advance of the leased event date.*

**D.D. Eisenhower Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 2926 Lone Pine Road  
Palm Beach Gardens, FL 33410

Principal:  
Fiscal Year 2017: Debbie Battles  
During Audit: Debbie Battles

Treasurer:  
Fiscal Year 2017: Sarah Weis  
During Audit: Sarah Weis

Afterschool Site Director:  
Fiscal Year 2017: Alicia DeCavalcanti  
During Audit: Alicia DeCavalcanti

**Cash and Investments**

Checking	\$ 46,713.97
Investments	
	\$ 46,713.97

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,842.09	4,292.00	2,979.49	816.94	2,066.94	1,904.60
Classes	3,036.40	22,284.75	22,384.21	3,684.62	4,244.28	2,377.28
Clubs	529.00	262.20	313.92	217.00	217.00	477.28
Departments	5,686.41	4,578.32	5,016.17	0.00	150.00	5,098.56
Trusts	29,748.00	282,553.78	280,625.43	8,369.74	8,231.44	31,814.65
General	12,557.74	14,183.63	23,521.13	4,691.96	2,870.60	5,041.60
	\$ 53,399.64	\$ 328,154.68	\$ 334,840.35	\$ 17,780.26	\$ 17,780.26	\$ 46,713.97

Dwight D. Eisenhower Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Egret Lake Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 5115 47th Place North  
West Palm Beach, FL 33417

Principal:  
Fiscal Year 2017: Christine Rick  
During Audit: Christine Rick

Treasurer:  
Fiscal Year 2017: Cherrie Ullom  
During Audit: Cherrie Ullom

Afterschool Site Director:  
Fiscal Year 2017: Lori Seal  
During Audit: Lori Seal

**Cash and Investments**

Checking	\$ 68,864.80
Investments	
	\$ 68,864.80

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	5.27	32.00	32.00	0.00	0.00	5.27
Classes	2,085.99	14,210.50	13,329.43	2,546.50	2,546.50	2,967.06
Clubs	3,248.94	35,986.00	36,428.98	8,175.00	8,879.63	2,101.33
Departments	23,459.55	12,391.85	13,296.19	3,903.10	3,899.10	22,559.21
Trusts	33,163.24	173,661.00	172,099.96	125.00	169.62	34,679.66
General	4,722.17	5,555.42	4,470.57	2,853.78	2,108.53	6,552.27
	\$ 66,685.16	\$ 241,836.77	\$ 239,657.13	\$ 17,603.38	\$ 17,603.38	\$ 68,864.80

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- Monies collected was not always deposited in a timely manner. For example, an \$100 collection on MCR #726-23 was retained by the sponsor for five working days before it was deposited into the drop-safe.
- At the year-end, the Aftercare Director did not turn in the yellow copies of the MCRs along with the computerized receipts to the school secretary for record keeping.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- *DOE Rules* and *Internal Accounts Manual* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could result in unintended irregularities.
- As required by *Bulletin #P-14051-S/CFO* and *Internal Accounts Manual, Chapter 7's Record Retention Requirements*, "Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary..." at the year-end. The school should update its *End-of-Year Checklist* to ensure the instructions are consistent with the District's procedures.

### Management's Response

*Concur. Update of "End of Year Checklist."*

## LEASING OF SCHOOL FACILITIES

### Finding

The school did not have a copy of *Lease Agreement* #1012 with the lessee's and witness signatures.

**Recommendation**

To ensure *Lease Agreements* are legally enforceable, they should be executed with all the required signatures prior to the use of facilities by lessees.

***Management's Response***

*Concur. Double check Lease Agreements.*

**Elbridge Gale Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1915 Royal Fern Drive  
Wellington, FL 33414

Principal:  
Fiscal Year 2017: Gail Pasterczyk  
During Audit: Gail Pasterczyk

Treasurer:  
Fiscal Year 2017: Ranka Connor  
During Audit: Ranka Connor

Afterschool Site Director:  
Fiscal Year 2017: Denise Halperin  
During Audit: Denise Halperin

**Cash and Investments**

Checking	\$ 102,303.18
Investments	
	\$ 102,303.18

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	950.88	60,156.80	57,956.55	2,992.49	5,406.75	736.87
Clubs	4,178.04	1,683.68	1,347.87	162.00	162.00	4,513.85
Departments	15,822.70	25,663.30	20,987.09	7,460.07	7,500.46	20,458.52
Trusts	43,679.76	865,614.61	853,217.82	10,711.87	12,705.70	54,082.72
General	19,619.81	21,584.53	23,141.60	8,632.76	4,184.28	22,511.22
	\$ 84,251.19	\$ 974,702.92	\$ 956,650.93	\$ 29,959.19	\$ 29,959.19	\$ 102,303.18

Elbridge Gale Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Equestrian Trails Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 9720 Stribling Way  
Wellington, FL 33414

Principal:  
Fiscal Year 2017: Michele Johnson  
During Audit: Michele Johnson

Treasurer:  
Fiscal Year 2017: Lourdes Santos  
During Audit: Lourdes Santos

Afterschool Site Director:  
Fiscal Year 2017: Robin Marcus  
During Audit: Robin Marcus

**Cash and Investments**

Checking	\$ 117,881.80
Investments	
	\$ 117,881.80

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 364.05	\$0.00	\$ 158.01	\$0.00	\$0.00	\$ 206.04
Music	741.69	968.00	789.23	228.75	228.75	920.46
Classes	10,197.83	100,901.70	98,607.25	10,644.03	9,405.77	13,730.54
Clubs	8,615.15	5,263.08	4,290.85	169.17	169.17	9,587.38
Departments	16,684.38	15,134.61	14,183.55	1,563.92	1,563.92	17,635.44
Trusts	47,097.24	596,726.34	581,783.70	7,298.89	12,734.39	56,604.38
General	17,545.46	17,143.22	19,688.36	7,324.42	3,127.18	19,197.56
	\$ 101,245.80	\$ 736,136.95	\$ 719,500.95	\$ 27,229.18	\$ 27,229.18	\$ 117,881.80

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that monies collected were not always deposited in a timely manner. For example, \$2,634.73 collected through 13 MCRs (#626-15, #647-11, #629-25, #629-26, #664-15, #662-17, #648-11, #648-1, #678-24, #688-8, #693-4, #693-5, and #674-5) were retained by the sponsors for one to nine working days before the collections were deposited into the drop-safe.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically, monies collected should be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could result in unintended irregularities.

### Management's Response

*Concur. We went over again with staff and created posters for reminders of procedures for staff.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that the data processor was the assigned Document Custodian for the *SACC Receipts*. However, the Afterschool Site Director maintained the blank (unused) *SACC Receipts*, although she was the primary user of the *Receipts*. Moreover, the *Prenumbered Document Inventory Register* was not maintained for *SACC Receipts*.

### Recommendation

To ensure proper fiscal accountabilities and separation of duties as required by *Chapter 27 of the Internal Accounts Manual*,

- The custodian for prenumbered form should be someone who is not involved in the day-to-day use of the form. The designated custodian for *SACC Receipts* should not be the Aftercare Director.
- Prenumbered documents should be inventoried periodically in accordance with the inventory schedule. The inventory checks should be documented on the *Prenumbered Document Inventory Register (PBSD 0160)*.

Equestrian Trails Elementary School  
Management Letter  
Year Ended June 30, 2017

***Management's Response***

*Concur. Specific duties were reviewed with staff.*

**Everglades Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 407 Marginal Road  
West Palm Beach, FL 33411

Principal:  
Fiscal Year 2017: Dwan Moore-Ross  
During Audit: Dwan Moore-Ross

Treasurer:  
Fiscal Year 2017: Mary Kozlowski/ Barbara Schumacher  
During Audit: Barbara Schumacher

Afterschool Site Director:  
Fiscal Year 2017: Christina Schwartz  
During Audit: Christina Schwartz

**Cash and Investments**

Checking	\$ 51,673.56
Investments	
	\$ 51,673.56

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	14.78	1,227.00	718.00	649.89	649.89	523.78
Classes	1,530.14	70,421.75	69,518.59	3,919.94	4,082.82	2,270.42
Clubs	10,821.46	6,569.12	7,116.06	2,357.60	2,357.60	10,274.52
Departments	8,486.47	19,776.89	20,255.02	11,127.17	11,237.17	7,898.34
Trusts	16,621.72	653,781.08	645,403.85	20,531.86	20,645.96	24,884.85
General	7,020.25	13,289.41	14,874.99	5,527.36	5,140.38	5,821.65
	\$ 44,494.82	\$ 765,065.25	\$ 757,886.51	\$ 44,113.82	\$ 44,113.82	\$ 51,673.56

Everglades Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Forest Hill Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 5555 Purdy Lane  
West Palm Beach, FL 33415

Principal:  
Fiscal Year 2017: Ana Arce-Gonzalez  
During Audit: Scott McNichols

Treasurer:  
Fiscal Year 2017: Susan Adrion/Virginia Lawler  
During Audit: Virginia Lawler

Afterschool Site Director:  
Fiscal Year 2017: Marie Gavino  
During Audit: Marie Gavino

**Cash and Investments**

Checking	\$ 47,191.35
Investments	
	\$ 47,191.35

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	806.13	40.00	176.81	0.00	0.00	669.32
Classes	1,104.84	17,309.25	16,138.95	2,946.29	2,714.80	2,506.63
Clubs	2,152.09	40,381.25	39,395.00	12,499.29	12,516.94	3,120.69
Departments	11,936.79	7,519.06	6,123.75	2,954.22	3,119.77	13,166.55
Trusts	17,597.04	253,090.68	243,593.70	12,361.36	12,069.65	27,385.73
General	770.75	6,673.30	6,761.62	440.11	780.11	342.43
	\$ 34,367.64	\$ 325,013.54	\$ 312,189.83	\$ 31,201.27	\$ 31,201.27	\$ 47,191.35

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- The *Drop-safe Log* was not always completed with all the required information. Specifically, *Section 3* for two pages of the *Drop-safe Log* (#12-24840 and 11-49859) was not signed by an independent staff verifier to confirm the treasurer's entering the deposit information into the Internal Funds Accounting System.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO*, (1) the treasurer and an independent staff should jointly complete *Section 2* of the *Log* to confirm that the deposits from the safe were removed by the treasurer for processing, and (2) the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

[Current Principal] Concur

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found the following discrepancies for the PTO Spirit Shirt Sales (Account #6-3300.01):

- Collections for this fundraiser were started on August 17, 2016. However, the sponsor did not enroll in the eLearning Fundraiser Training Course until April 7, 2017 (seven months after the fundraiser began). Nonetheless, the sponsor did not complete the training.
- Sales revenue totaling \$2,342 was deposited into the Internal Funds. However, only \$818 was indicated on the *Sales Item Inventory Report*. Because of incomplete information on the *Sales Item Inventory Report*, we were unable to verify the accuracy of the reported revenue.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure staff is aware of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activity.
- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue.

### ***Management's Response***

*[Current Principal] Concur.*

**Forest Park Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1201 SW 3rd Street  
 Boynton Beach, FL 33435

Principal:  
 Fiscal Year 2017: Nancy Robinson  
 During Audit: Nancy Robinson

Treasurer:  
 Fiscal Year 2017: Rachael Thompson  
 During Audit: Joan Mullaney

Afterschool Site Director:  
 Fiscal Year 2017: Kim Stivers  
 During Audit: Kim Stivers

**Cash and Investments**

Checking	\$ 34,500.51
Investments	
	\$ 34,500.51

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	13.14	0.00	0.00	0.00	0.00	13.14
Classes	2,307.89	9,851.25	11,640.02	216.32	0.00	735.44
Clubs	1,452.18	2,252.62	1,609.76	0.00	117.50	1,977.54
Departments	1,561.72	3,260.58	2,494.54	422.77	422.77	2,327.76
Trusts	23,306.15	109,602.43	108,657.05	7,084.64	7,084.64	24,251.53
General	6,298.55	13,268.69	14,273.32	4,789.93	4,888.75	5,195.10
	\$ 34,939.63	\$ 138,235.57	\$ 138,674.69	\$ 12,513.66	\$ 12,513.66	\$ 34,500.51

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of documentation for sample fundraisers found that:

- The sponsor for the Coupon Book Sales did not complete the required eLearning Fundraiser Training Course in Fiscal Year 2017.
- Two fundraisers, the Coupon Book Sales (Account #6-4000.03) and Yearbook Sales (Account #7-0100.04) did not have the required *Fundraising Application/Recap Form* and *Sales Item Inventory Record*.
- The Coupon Book Sales had a total sales revenue of \$1,350, which was deposited into the internal funds during September 21, through December 19, 2016. However, based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of \$1,600. As a result, \$250 (16%) in estimated revenue was unaccounted for.
- The Yearbook Sales had a total sales revenue of \$979, which was deposited into the Internal Funds during the period July 1, 2016, through June 30, 2017. However, based on the school's purchasing records this fundraiser should have generated a total estimated revenue of \$1,150. As a result, \$171 (15%) in estimated revenue was unaccounted for.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- *Sales Item Inventory Report* should be properly prepared and completed with accurate information for each fundraiser and be approved by the principal. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue.

### Management's Response

*Concur. Procedures in place to ensure staff has training prior to fundraiser.*

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of records for sample disbursements and P-Card purchases found that:

- Disbursement #10855 (for \$229.97) was for an employee reimbursement of incentive items for the school's writing program. However, the items were delivered to a staff's home address instead of the school's.
- Supporting documentation, such as invoices/receipts, were not defaced (stamped "PAID") after payment in order to prevent duplicate payments.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines:

- To safeguard the school's assets, school purchases should be directly delivered to the school.
- To avoid duplicate payments, supporting documentation should be defaced (stamped "PAID") after payment.

### ***Management's Response***

*Concur. Current treasurer is currently stamping receipts.*

**Freedom Shores Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 3400 Hypoluxo Road  
 Boynton Beach, FL 33436

Principal:  
 Fiscal Year 2017: Patricia Trejo  
 During Audit: Daniel Smith

Treasurer:  
 Fiscal Year 2017: Veronica Debrand/Mirtha Walsh  
 During Audit: Mirtha Walsh

Afterschool Site Director:  
 Fiscal Year 2017: Georgina Morton/Nicole Ankeney  
 During Audit: Cheri Rosen

**Cash and Investments**

Checking	\$ 59,185.17
Investments	
	\$ 59,185.17

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	450.75	384.00	671.01	0.00	0.00	163.74
Classes	11,607.83	59,243.64	60,379.85	4,763.02	7,234.38	8,000.26
Clubs	5,512.79	2,370.46	2,200.48	0.00	3,517.26	2,165.51
Departments	4,056.35	3,999.36	4,318.63	1,162.99	1,083.99	3,816.08
Trusts	91,867.59	501,871.13	566,311.66	15,578.34	11,935.50	31,069.90
General	8,637.85	43,017.23	39,952.18	17,212.82	14,946.04	13,969.68
	\$ 122,133.16	\$ 610,885.82	\$ 673,833.81	\$ 38,717.17	\$ 38,717.17	\$ 59,185.17

## AFTERSCHOOL PROGRAM

### Finding

The review of Afterschool Program disclosed two concerns:

- As of July 21, 2017, the Afterschool Program had an accounts receivable balance of \$10,790.67 from 53 student accounts. These accounts were past due for more than 60 days.
- The EZ Care database (the Afterschool Program's accounting system) was not accurately maintained. Due to clerical mistakes, the amount due from 29 student accounts was understated by a total of \$4,966.60. The errors occurred because of duplicate postings of credit card payments.

### Recommendation

The Afterschool Program should be administered in accordance with District's guidelines and the *Afterschool Programs Operational Manual*. Specifically,

- Afterschool Programs should be self-sufficient supported by user fees. Program fees should be collected in advance as required by *Afterschool Programs Operational Manual*.
- To ensure proper fiscal accountability, Afterschool Program financial transactions should be accurately recorded in the EZ Care database and periodically reconciled to the Internal Funds records. The school should make adjustments to correct the receivable records.

### Management's Response

*[Current Principal] Concur. A new Director is in place who knows and follows procedures. For Past Due accounts working with the area office and the aftercare dept., parents were held accountable to 50% of debt and put on a payment plans to continue in the program.*

**Frontier Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 6701 180th Avenue North  
Loxahatchee, FL 33470

Principal:  
Fiscal Year 2017: Susan Groth  
During Audit: Susan Groth

Treasurer:  
Fiscal Year 2017: Jaclyn Nicole Traver  
During Audit: Jaclyn Nicole Traver

Afterschool Site Director:  
Fiscal Year 2017: Ali Gunn  
During Audit: Ali Gunn

**Cash and Investments**

Checking	\$ 45,780.69
Investments	
	\$ 45,780.69

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	81.81	0.00	80.62	0.00	0.00	1.19
Classes	3,826.73	39,363.19	41,245.54	10,440.69	11,030.78	1,354.29
Clubs	1,346.13	1,498.50	1,559.06	15.00	46.92	1,253.65
Departments	4,290.88	14,325.06	16,149.89	3,345.61	3,543.31	2,268.35
Trusts	22,319.30	416,345.83	407,380.64	22,474.04	22,928.45	30,830.08
General	6,783.29	20,500.63	18,484.91	7,379.98	6,105.86	10,073.13
	\$ 38,648.14	\$ 492,033.21	\$ 484,900.66	\$ 43,655.32	\$ 43,655.32	\$ 45,780.69

Frontier Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Galaxy E3 Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 550 NW 4th Avenue  
Boynton Beach, FL 33435

Principal:  
Fiscal Year 2017: Lisa Steele  
During Audit: Lisa Steele

Treasurer:  
Fiscal Year 2017: Jennifer Srabian  
During Audit: Jennifer Srabian

Afterschool Site Director:  
Fiscal Year 2017: Katina Thomas  
During Audit: Katina Thomas

**Cash and Investments**

Checking	\$ 30,717.74
Investments	
	\$ 30,717.74

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	3,248.82	10,870.15	11,329.49	1,569.11	877.11	3,481.48
Clubs	5,276.50	3,022.55	1,537.12	17.53	1,800.05	4,979.41
Departments	845.70	1,320.35	213.99	536.01	536.01	1,952.06
Trusts	23,762.04	238,831.88	248,375.02	14,329.09	12,546.57	16,001.42
General	2,099.59	14,336.60	11,440.82	2,809.53	3,501.53	4,303.37
	\$ 35,232.65	\$ 268,381.53	\$ 272,896.44	\$ 19,261.27	\$ 19,261.27	\$ 30,717.74

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The *Sales Item Inventory Report* for the General T-shirts Sales (Account #7-0100.01) was not reviewed and approved by the Principal.

### Recommendation

The *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items, if any, that were given-away or missing. Discrepancy between the estimated revenue and actual receipt should be investigated and resolved accordingly.

### Management's Response

*Concur. A spreadsheet was created to document when uniform shirts are given to students – the giver (office staff) and recipient (parent) both sign to verify.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card records found that three disbursements totaling \$5,667.50 (#12785 for \$1,338; #12921 for \$2,817.50; and #12930 for \$1,512) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.

### Recommendation

Disbursements should be administered in accordance with *Internal Accounts Manual* and related District guidelines. Specifically, pursuant to the District's *Purchasing Manual* and *Internal Accounts Manual*, all Internal Funds purchases require (1) Principal's approval prior to the purchase; and (2) *Purchase Order* should be issued for purchase in excess of \$1,000.

### Management's Response

*Concur. Principal approval will be made prior to purchase and the required purchase orders will be completed prior to purchases in excess of \$1,000.*

## AFTERSCHOOL PROGRAM

### Finding

The review of records for the Afterschool Program found that:

- One student received a credit of \$114.10 for the month of January 2017, without any explanation to justify the credit.
- The EZ-Care2 System database (the Afterschool Program's accounting system) was not accurately maintained. The backup created on November 30, 2017 did not contain all of the student records for Fiscal Year 2017. Year-end Maintenance procedures may have been applied incorrectly and deleted the records by mistake. Also, monthly backup procedures were not followed, in that, there were no monthly backups prior to November 30 backup.

### Recommendation

Afterschool Programs should be administered in accordance with District's guidelines and *Afterschool Programs Operational Manual*. Specifically:

- Program fees should be collected in accordance with District's approved Rate Schedule.
- To ensure proper fiscal accountability, the Afterschool Program's accounting database should be properly maintained and backed up on a monthly basis.

### Management's Response

*Concur. Student credit of \$114.10 was removed. Student charge of \$114.10 was applied. Monthly back-up procedures were followed as evidenced by the Fiscal Review conducted by the Department of After school Programming.*

**Glade View Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1100 SW Avenue "G"  
 Belle Glade, FL 33430

Principal:  
 Fiscal Year 2017: Linda Edgecomb  
 During Audit: Linda Edgecomb

Treasurer:  
 Fiscal Year 2017: Brenda Dominique  
 During Audit: Brenda Dominique

**Cash and Investments**

Checking	\$ 16,866.36
Investments	
	\$ 16,866.36

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,094.07	750.00	899.41	472.37	472.37	944.66
Classes	300.00	1,999.00	1,699.00	0.00	0.00	600.00
Clubs	1,094.17	5,206.31	4,000.59	0.00	690.00	1,609.89
Departments	50.94	41.74	0.00	0.00	0.00	92.68
Trusts	11,583.77	51,466.15	56,973.97	2,106.70	2,106.70	6,075.95
General	3,305.24	10,321.54	6,773.60	1,939.67	1,249.67	7,543.18
	\$ 17,428.19	\$ 69,784.74	\$ 70,346.57	\$ 4,518.74	\$ 4,518.74	\$ 16,866.36

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records revealed that the sponsor of the Save Around Coupons (Account #7-0100.06) and Atlanta Cheesecake Company (Account #6-4000.02) fundraisers did not prepare the required *Sales Inventory Item Report*.

### **Recommendation**

The *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing.

### ***Management's Response***

*Concur. For each fundraiser, a Sales Item Inventory Report will be prepared and completed with accurate information. This will assist staff in reconciling the sales revenue with estimated revenue. The approval of the Principal for any items that were given away free of charge, or missing will be reflected on the Sales Item Inventory Report.*

**Golden Grove Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 5959 140th Avenue North  
West Palm Beach, FL 33411

Principal:  
Fiscal Year 2017: Adam Miller  
During Audit: Adam Miller

Treasurer:  
Fiscal Year 2017: Grace Wersching  
During Audit: Grace Wersching

Afterschool Director:  
Fiscal Year 2017: Patricia Packard  
During Audit: Patricia Packard

**Cash and Investments**

Checking	\$ 39,498.59
Investments	
	\$ 39,498.59

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 1,425.59	\$ 1,503.00	\$ 1,022.79	\$ 535.00	\$ 485.00	\$ 1,955.80
Music	439.23	2,180.00	1,374.16	835.84	760.84	1,320.07
Classes	7,165.36	55,568.96	53,439.39	2,299.61	2,335.64	9,258.90
Clubs	994.98	4,045.71	4,211.77	543.00	543.00	828.92
Departments	1,098.66	7,754.82	8,069.11	2,253.55	2,403.55	634.37
Trusts	22,506.90	378,777.86	379,363.71	12,810.00	11,115.00	23,616.05
General	8,637.48	27,075.89	32,194.92	6,020.18	7,654.15	1,884.48
	\$ 42,268.20	\$ 476,906.24	\$ 479,675.85	\$ 25,297.18	\$ 25,297.18	\$ 39,498.59

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- Two checks totaling \$235.00 were not identified on the related MCRs (#717-15 for \$100, and #717-12 for \$135).
- Some sponsors did not attach the Official Receipts to the yellow copies of the MCRs when submitting these documents to the school secretary for record retention at the end of the school year.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Monies collected should be supported by MCRs with all the required information, including the account number, remitter's signature, payer's name, dollar amount, and check number when appropriate.
- As required by *Internal Accounts Manual, Chapter 7's Record Retention Requirements*, "Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary..."

### Management's Response

*It is suggested not required to "attach" the Official Receipts to the yellow copy of the MCR. All MCR copies with computerized receipts are provided to the School Secretary for each year end filing. The two checks were misidentified as cash on the MCRs and no money was missing.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card records found that Disbursement #12115 (for \$584.92) was for a reimbursement to an employee for the purchase a "Back to School Breakfast". The expenditure was supported by an itemized receipt of \$539.44, which included a 10% discount. Consequently, the school overpaid the employee \$45.48.

**Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual*, *Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically, the school should verify that an overpayment was made and seek to recover the \$45.48 from the employee.

***Management's Response***

*Concur. Due to multiple receipts for the same transaction with and without discounts and overpayment of \$45.48 occurred. The funds were immediately deposited. This being verified by receipt #18-2421-0450 on 11/16/2017.*

**Gove Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 900 SE Avenue "G"  
Belle Glade, FL 33430

Principal:  
Fiscal Year 2017: Roxanne Curtiss / Kimberly Thomasson  
During Audit: Kimberly Thomasson

Treasurer:  
Fiscal Year 2017: Joanna Rivers / Tracy Bickford  
During Audit: Cristina Garcia

**Cash and Investments**

Checking	\$ 82,682.17
Investments	
	\$ 82,682.17

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	0.00	6,277.00	7,598.30	2,730.30	1,309.00	100.00
Clubs	20,477.29	72,808.47	66,352.49	30,609.84	32,288.63	25,254.48
Departments	6,782.66	12,015.68	8,953.43	4,606.60	9,190.08	5,261.43
Trusts	31,899.29	43,420.84	38,277.86	10,364.47	4,574.70	42,832.04
General	13,862.44	143.64	3,823.06	363.00	1,311.80	9,234.22
	\$ 73,021.68	\$ 134,665.63	\$ 125,005.14	\$ 48,674.21	\$ 48,674.21	\$ 82,682.17

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports (MCRs)* and money collection process at the school revealed that:

- The *Drop-safe Logs* were not always completed with the required information. Specifically:
  - *Section 2 on three pages of the Logs* (#12-25065, #12-25066, and #12-25085) did not have the dates when collections were removed from the safe.
  - *Sections 2 and 3 of the Drop-safe Log* (for 223 collections totaling \$34,318.73) did not have the independent verifier's initials to verify the money was removed from the safe and deposited into the bank.
  - The receipt numbers were not recorded in *Section 3* on six pages of the *Drop-safe Log* (#12-25072, #12-25074, #12-25103, #12-25104, #12-25105, and #12-25106) for 25 of 54 collections.
- Monies collected were not always deposited in a timely manner. For example, \$4,397.08 collected through nine MCRs (# 640-5, #653-4, #675-3, #675-8, #675-1, #675-9, #675-2, #675-14, and #675-11) were retained by the sponsor for one to three working days before it was deposited into the drop-safe. In addition, 10 MCRs (#675-15, #675-1, #675-2, #675-3, #675-5, #675-7, #675-8, #675-9, #675-11, and #675-14, totaling \$4,372.00) were not processed timely by the school treasurer with delays ranging from six to seven working days.
- The school's *2017 End-of-Year Checklist* required staff to submit all of the yellow copies of MCRs to the secretary but did not instruct the staff to include the computerized receipts. This resulted in some sponsors not attaching the computerized receipts to the yellow copies of the MCRs when submitting the MCRs to the school secretary for record retention at the end of the school year.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete Section 1 of the Log before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete Section 2 of the Log to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier

should complete Section 3 of the Log after the treasurer entered the deposit information into the school's accounting system.

- As required by *DOE Rules* and *District Bulletin #P-14051-S/CFO*, monies collected should be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could increase the exposure to sponsors and result in potential irregularities.
- As required by *Internal Accounts Manual, Chapter 7's Record Retention Requirements*, "Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary..."

### ***Management's Response***

*Concur. Training will be provided for personnel. We will follow District procedures and policies.*

## **DOCUMENTATION FOR FUNDRAISERS**

### **Finding**

The review of fundraiser records found that:

- Activities for the South Florida Fair Ticket Sales (Account #6-4418.05) began January 9, 2017. However, the sponsor for this fundraiser did not complete the eLearning Fundraiser Training Course until January 18, 2017.
- Although a *Sales Item Inventory Report* for Donation Dots Sales (Account #4-0225.05) was prepared, none of the fundraiser information was recorded on the form. Missing information included (1) the beginning and ending inventories, (2) the quantities of items purchased, sold, and given-away, and (3) the selling prices and revenues. Moreover, the Report was neither signed by the sponsor nor reviewed and approved by the Principal.
- South Florida Fair Tickets sales (Account #6-4418.50) had the following noncompliances (1) the related *Fundraising Application/Recap Form (PBSD 1053)* was not approved by the Principal; (2) the sponsor did not complete the Recap (actual sales) nor verified by the school treasurer; and (3) the fundraiser did not have a *Sales Item Inventory Report*.
- The Media Yearbook Sales (Account #5-1700.03) did not have the required *Sales Item Inventory Report*. Moreover, the financials for the Yearbook Fundraiser were recorded in the activities' primary account Media Center (Account #5-1700.00), instead of a decimalized account (#5-1700.03) for the sales.

## **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically:

- To ensure fundraising staff understand and comply with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.
- To ensure that fundraising activities are consistent with the School Board Mission, they should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- To protect the school's best interest and ensure proper fiscal accountability, *Sales Item Inventory Report* should be accurately completed with all needed information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.
- To assist the school in evaluating and monitoring the performance of individual fundraisers, a separate decimalized account should be established for each fundraiser. The fundraiser account should include all the needed and accurate financial information.

## **Management's Response**

*Concur. Training will be provided for personnel. We will follow District policies and procedures.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

The review of sample disbursements and P-Card purchases found that:

- Two disbursements #12421 (for \$4,000), and #12456 (for \$2,023.12) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*. Moreover, Disbursement #12421 did not have the required Principal approved *Check Requisition Form*.
- Disbursements #12396 (for \$800) was payment to a consultant for a multicultural presentation through story-telling, music, and dance. However, the engagement of this consultant did not have a *School District Consultant Agreement (PBSD 1420)*.
- Disbursement #12432 (for \$400) was payment for a consultant for DJ services at the February 17, 2017, school dance. However, the related *School District Consultant Agreement (PBSD 1420)* was neither signed by the consultant nor approved by the Principal.

- Disbursements #12450 and #12462 (totaling \$29,750) were payments for an Out-of-County field trip to St. Augustine, FL. However, the *Temporary Duty Elsewhere (TDE)* Forms for related staff were not approved by the Regional Superintendent and Chief Academic Officer.
- Supporting documentation was not always defaced (stamped “PAID”) after payment. For example, the supporting documents for three sample disbursements (#s 12396, 12421, and 12487, totaling \$6,405) were not defaced after payments.
- Disbursement #12475 (for \$431.95) included \$9.07 in sales tax reimbursement to staff for tax-exempt qualified purchases. Moreover, the reimbursement included a duplicate payment of \$4.13 already processed resulting in an overpayment of \$4.13.
- Two P-Card transactions, totaling \$294 in May 2017, were for purchases of food. However, the transactions were supported by photocopies of the receipts, instead of the originals.
- A May 2017 P-Card transaction for \$553.50 was not supported by invoice or receipt. Instead, it was supported by a pre-check out shopping cart list which does not correspond to the transaction amount.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual*, *Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically:

- Pursuant to the District’s *Purchasing Manual* and *Internal Accounts Manual*, all Internal Funds purchases require (1) Principal’s approval prior to the purchase; and (2) *Purchase Order* should be issued for purchase in excess of \$1,000.
- To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) most importantly, the consultant’s background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465 (Jessica Lunsford Act)*.
- Expenditures should be adequately supported by itemized invoices/receipts. The issuance of a school check for payment should be supported by the Principal’s approved *Check Requisition*. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- Field trips should be administered in accordance with *School Board Policy 2.40*. Specifically, (1) field trips should be pre-approved by the Principal with adequate documentation, (2) in-

county field trips should be approved by the Principal, and (3) out-of-county field trips should be approved by the Principal and Regional/Instructional Superintendent.

- To avoid potential duplicated payments, supporting documentation should be defaced (stamped “PAID”) after payment was made.
- The School District is sales tax-exempt governmental entity, and should not pay sales tax for qualified purchases.
- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.

### ***Management’s Response***

*Concur. Training will be provided for personnel. We will follow District policies and procedures.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of controls in pre-numbered documents found the following:

- The school did not maintain the *Document Custodian Assignment Register* (PBSD 1663).
- The school did not perform the required monthly inventory-check for the *School Checks* and *Drop-safe Logs*. Specifically, the *School Checks* were inventoried only four times during the year on July 27, August 1, October 3 and November 1, 2016; and the *Drop-safe Logs* were not inventoried during the year.

### **Recommendation**

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*,

- A designated document custodian should be assigned for each prenumbered form; and the staff assignment should be recorded on the *Document Custodian Assignment Register* (PBSD 1663) accordingly.
- To ensure all prenumbered documents are properly accounted for, the Document Custodian for each prenumbered document, including *Drop-Safe Logs*, should use the *Prenumbered Document Inventory Register* (PBSD 0160) to confirm the periodic inventory check of the forms.

### ***Management's Response***

*Concur. Training will be provided for personnel. We will follow District policies and procedures.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The review of records for leasing of school facilities found that:

- The Tririga System indicated that the school had 19 leasing arrangements during the year. However, the school did not have a hard copy of the executed *Lease Agreements* for nine of the leases (Leases #1012, #1014, #1016, #1017, #1018, #1019, #1020, #1025 and #1026).
- *Lease Agreements* were not always executed with all the required signatures prior to the commencement of leasing activities.
  - Two leases (#s 1006 and 1007) did not have the lessee's signature, and two leases (#s 1027 and 1028) did not have the dates for the lessees' signatures.
  - Six leases (#s 1010, 1027, 1028, 1032, 1033, and 1034) were neither signed by the lessee nor a witness or were not approved by the Principal through the Tririga System.
- Leasing charges for five leases (#1006, #1027, #1010, #1035 and #1036) were not collected from the lessees until after the leasehold periods began, with delays ranging from two to 60 days after the leasehold periods began.
- Three *Lease Agreements* (#s 1006, 1010 and 1035) were neither signed by the lessees nor approved by the Principal in a timely manner. Delays ranged from one to 25 days after the leasehold periods began.
- The \$1,238.40 charge for Lease #1006 was not correctly allocated to the respective accounts. As a result, the school did not allocate nor transmit the \$224 utility fee and under-transmitted \$38.40 in sales tax to the Central office.
- The school did not always have the required leasing documentation for the use of facilities by lessees. For example, eight deposits (#634-1, #669-4, #638-4, #647-3, #646-6, #647-4, #647-1 and #665) included a total of \$5,848 in rentals collected from lessees. However, the leasing arrangements were not finalized (still in draft status) thus, there was no leasing documentation for these lessees, including *Lease Agreements* and proof of liability insurance coverage.

- Leasing charges were not always collected in a timely manner. Specifically, as of September 26, 2017, \$154.80 in leasing charges for Lease #1014 had not been collected from the lessee for the use of school facilities.

### **Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically:

- To protect the best interest of the School District and ensure *Lease Agreements* are legally enforceable, they should be properly executed with all the required signatures, prior to the use of facilities by lessees. The school should also maintain a hard copy of the executed *Lease Agreement* for future reference, in addition to recording leasing activities in the Tririga System. A new *Lease Agreement* or an addendum to the existing *Agreement* should be executed in order to incorporate the additional use of facilities by the lessee.
- Leasing revenues should be allocated in accordance with the District's approved *Rate Schedule*. The portions of utility fees, sales tax, and insurance premium should be transmitted to the Central Office accordingly.
- As required by ***School Board Policy 7.18, Section 7.a.***, leasing charges "*are to be paid by check or credit card (no cash) at least forty-eight (48) hours prior to the use of a facility.*" The school should collect the \$154.80 in unpaid rentals from the lessee.

### ***Management's Response***

*Concur. Training will be provided for personnel. We will follow District policies and procedures.*

### ***Additional comments***

*In 2017, Gove Elementary had 2 bookkeepers and a time period of time without a bookkeeper. In 2018, we started with a new bookkeeper.*

**Grassy Waters Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 3550 North Jog Road  
 West Palm Beach, FL 33411

Principal:  
 Fiscal Year 2017: Jennifer Galindo  
 During Audit: Jennifer Galindo

Treasurer:  
 Fiscal Year 2017: Theresa Ferry  
 During Audit: Theresa Ferry

Afterschool Site Director:  
 Fiscal Year 2017: Carissa Hehn  
 During Audit: Carissa Hehn

**Cash and Investments**

Checking	\$ 64,088.32
Investments	
	\$ 64,088.32

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	3,278.63	2,478.75	1,026.94	1,781.94	1,781.94	4,730.44
Classes	9,830.40	44,826.80	44,954.20	2,315.83	2,610.83	9,408.00
Clubs	7,085.97	1,755.95	3,300.06	395.00	395.00	5,541.86
Departments	3,837.63	13,528.30	11,394.93	3,706.90	3,724.90	5,953.00
Trusts	28,206.02	592,979.27	584,535.18	13,641.59	13,328.59	36,963.11
General	2,369.53	14,861.54	15,739.16	2,405.58	2,405.58	1,491.91
	\$ 54,608.18	\$ 670,430.61	\$ 660,950.47	\$ 24,246.84	\$ 24,246.84	\$ 64,088.32

Grassy Waters Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Greenacres Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 405 Jackson Avenue  
Greenacres, FL 33463

Principal:  
Fiscal Year 2017: Melissa Patterson  
During Audit: Deborah McNichols

Treasurer:  
Fiscal Year 2017: Donna Shaw  
During Audit: Donna Shaw

Afterschool Site Director:  
Fiscal Year 2017: Omi Lopez  
During Audit: Emily Collazo

**Cash and Investments**

Checking	\$ 49,119.60
Investments	
	\$ 49,119.60

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	325.71	288.00	154.79	133.21	133.21	458.92
Classes	11,329.69	20,441.48	20,299.53	9,870.89	8,205.55	13,136.98
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	5,751.79	15,664.02	15,097.15	1,929.88	1,675.24	6,573.30
Trusts	29,854.53	199,671.75	199,894.55	15,753.44	17,799.44	27,585.73
General	1,842.43	2,664.65	3,268.43	491.52	365.50	1,364.67
	\$ 49,104.15	\$ 238,729.90	\$ 238,714.45	\$ 28,178.94	\$ 28,178.94	\$ 49,119.60

## DEPOSIT OF MONIES

### Finding

The review of sample Monies Collected Reports (MCRs) and money collection process at the school revealed that:

- *Section 1* of the *Drop-safe Log* was not always completed with all the required information. Missing information included the dates of collection and the dates when the collections were put into the drop-safe.
- Monies collected were not always deposited in a timely manner. For example, \$5,889.56 collected through four MCRs (#780-1, #780-4, #793-1, and #771-3) were retained by the sponsors for one working day before they were deposited into the drop-safe.
- During the audit fieldwork, we noted that incoming mails were sorted and distributed by someone other than the school treasurer. However, those mails addressed to the treasurer were given to her for opening and processing.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system by entering the *Official Receipt* number on the *Log*.
- *DOE Rules* and *District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted exposure and result in potential irregularities.
- Incoming mails should be received and opened by different staff members. Payments, if any, received in the mails should be recorded on a *Monies Collected Report* (MCR) by the staff who opens the mail, prior to placing the collection into the drop-safe.

***Management's Response***

*Concur. Principal met with treasurer, Drop safe log custodian, and administrative assistant to review findings. DSL completed and verified by DSL custodian and submitted monthly. Admin assistant to open mail addressed to treasurer. Treasurer emailed all staff reminders of collecting monies.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser records found that:

- Activities for the PTC Tee Shirts Sale (Account #6-3100.01) began on August 10, 2016. However, the sponsor for this fundraiser did not complete the eLearning Fundraiser Training Course until June 30, 2017.
- The information on the *Sales Item Inventory Report* for the Yearbook Sales (Account #5-0450.01) was not accurate. Specifically, the *Report* indicated that there were 13 unsold yearbooks remaining in inventory. However, 32 yearbooks were found during our examination of the inventory during the audit.

**Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. Specifically:

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- To protect the school's best interest and ensure proper fiscal accountability, *Sales Item Inventory Report* should be accurately completed with all needed information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.

***Management's Response***

*Concur. Principal will not approve fundraising application until eLearning course completed by applicant. Review findings with fundraising sponsors.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchases found that:

- Disbursement #12742 (for 2,294.00) was for an 80%-down-payment for a Charter Bus for the May 22, 2017 Out-of-County field trip to SeaWorld Orlando. However, the disbursement was supported by a contract with a different dollar amount.
- Disbursements #12668 (for \$163.15) was for purchase of pencils, erasers and bracelets for 5<sup>th</sup> grade fundraiser. The purchase was made on October 14, 2016; however, the items were shipped to the staff's home address instead of the school.

### Recommendation

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically:

- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- School assets should be properly safeguarded on school campus; and should be used only for District purposes. As required by *School Board Policy 3.02, Code of Ethics, Section 5.f.*, “we are committed to ensuring that District facilities, equipment, supplies, or other District resources are used for District purposes only. Except for occasional and incidental personal use, we will not tolerate improper use of public resources, and will report and reimburse the District for costs associated with personal use.”

### Management's Response

*Concur. Principal to review findings with those involved. Check Requisitions will not be approved with items shipped to personal home addresses.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that the school did not perform the required monthly inventory for the *Drop-safe Log*. During the year, *Drop-safe Logs* were issued to

Greenacres Elementary School  
Management Letter  
Year Ended June 30, 2017

the staff as needed on July 1, 2016, September 1, 2016, January 9, 2017, January 24, 2017 and June 2, 2017.

**Recommendation**

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*, the *Drop-safe Log* should be inventory-checked monthly by the designated document custodian and record the results on the *Prenumbered Document Inventory Register (PBSD 0160)*.

***Management's Response***

*Concur. Principal reviewed findings with treasurer and DSL custodian. Monthly DSL checks conducted and sent to budget.*

**Grove Park Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 8330 North Military Trail  
Palm Beach Gardens, FL 33410

Principal:  
Fiscal Year 2017: Jo Anne Rogers  
During Audit: Jo Anne Rogers

Treasurer:  
Fiscal Year 2017: Gulhan Kilic  
During Audit: Clavondrea Francis

Afterschool Site Director:  
Fiscal Year 2017: Kanisha Mortin  
During Audit: Xavier Alexander

**Cash and Investments**

Checking	\$ 40,739.27
Investments	
	\$ 40,739.27

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	0.00	1,250.90	563.66	862.50	874.74	675.00
Clubs	1,438.92	0.00	1,134.44	0.00	0.00	304.48
Departments	1,383.02	2,759.54	2,711.54	2,639.89	2,639.89	1,431.02
Trusts	49,890.95	82,773.21	107,710.65	1,412.91	1,100.67	25,265.75
General	12,660.92	8,827.40	8,125.30	4,512.23	4,812.23	13,063.02
	\$ 65,373.81	\$ 95,611.05	\$ 120,245.59	\$ 9,427.53	\$ 9,427.53	\$ 40,739.27

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and the money collection process at the school found that monies were not always deposited into the bank in a timely manner. For example, \$351.26 collected through MCR #623-3 was retained by the sponsor for three to four working days before the money was put into the drop-safe for deposit.

### Recommendation

To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO* and *Internal Accounts Manual, Chapter 7's Record Retention Requirements, DOE Rules and District Bulletin #P-14051-S/CFO* **require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted liability and result in potential irregularities.**

### Management's Response

*Concur. I have documentation on the multiple times I met with previous SACC director regarding this issue, at the school for review upon request. Will continue to follow timeliness & procedures for depositing monies.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of documentation for sample fundraisers found that the Spring Celebration fundraiser (Account #7-0100.11) had the following noncompliances:

- The sponsor did not complete the required eLearning Fundraiser Training.
- The required *Sales Item Inventory Reports* were missing.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.

- *Sales Item Inventory Reports* should be fully completed with accurate information. Accurate sales records should assist staff in (1) reconciling sales revenues and (2) tracking items purchased, given-away, or remained in inventory. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

### ***Management's Response***

*Concur. The sponsor was hired after the school year had begun, but is now trained. Moving forward, all sponsors will be trained and sales items will be inventoried.*

## **DOCUMENTATION OF DISBURSEMENTS**

### **Finding**

The review of sample disbursements and P-Card transaction records found that:

- Two Disbursements (#11286 for \$1,425) and (#11305 for \$1,425) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.
- Disbursement #11341 (for \$200) was for a refund of field trip fees to a student who paid but did not attend the Safety Patrol trip to Washington, D.C. However, the disbursement did not have supporting documentation for the student's original payment, such as a receipt or copy of *Monies Collected Report*.
- A \$39.86 P-Card transaction on November 30, 2016, was for purchase of food. However, it did not have documentation indicating the purpose (business or educational) for this expense.
- Supporting documentation such as invoices/receipts were not defaced (stamped "PAID") after payment in order to prevent duplicate payments. For example, the supporting documents, totaling \$6,980, for three sample disbursements (#11338, #11362, and #11400) were not defaced after payment.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual*, *Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- Pursuant to the District's *Purchasing Manual* and *Internal Accounts Manual*, all Internal Funds purchases require (1) Principal's approval prior to the purchase; and (2) *Purchase Order* should be issued for purchase in excess of \$1,000.

- Refund of field trip fees to students should be supported by the original payment records. Without adequate documentation, there is no assurance that the disbursements were appropriate.
- To avoid potential duplicated payments, supporting documentation should be defaced (stamped “PAID”) after payment.

### ***Management’s Response***

*Concur. Last year’s school treasurer left the office and files in complete shambles. Pictures of the piles were emailed to Accounting Services documenting the problems and again, requesting assistance. Directions of the above-mentioned procedures were given, multiple times. We are moving forward this year and will follow procedures.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The review of records for school facility leasing found that that:

- Information for Lease #1007 was recorded in the Tririga System. The school did not collect payment for this lease because this lease was cancelled. However, the original lease was neither revised nor updated in the Tririga System after the cancellation. As a result, the Tririga System overstated the school’s expected leasing income by \$549.50.
- The school had a hard copy of lease #1003 and recorded payment of \$84.80 for this lease. However, there was no record of this lease in Tririga system as of June 30, 2017. According to staff, this lease was cancelled in error. As a result, the school’s leasing income was reduced by \$84.80.

### **Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically, leasing information should be accurately recorded in the Tririga System; and the record should be updated with new information such as fee waivers, amendments in leasing arrangements.

*Concur.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found the following:

- The Afterschool Program Site Director was the designated custodian for *Afterschool Program Receipt Books (PSBSD 1438)* the Director also used the prenumbered receipts for fee collections.
- The school did not maintain *Prenumbered Document Inventory Registers (PBSD 0160)* for *Drop-safe Logs* and *School Checks*.

### Recommendation

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*,

- The custodian for prenumbered forms should be someone who is not involved in the day-to-day use of the form.
- The custodian should account for each prenumbered document, including *Drop-safe Logs* *School Checks*, through the use of the *Prenumbered Document Inventory Register (PBSD 0160)* to confirm the periodic inventory check of the forms.

### Management's Response

*Concur.*

### Additional Comments

*Thank you for your support. We appreciate training and support opportunities given to staff new in positions. We have a new treasurer this year but are working with her closely, seeking support with appropriate district staff as resource. Will also review this report for avoiding repeat findings.*

**Hagen Road Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 10565 Hagen Ranch Road  
 Boynton Beach, FL 33437

Principal:  
 Fiscal Year 2017: Robyn Saltzman  
 During Audit: Robyn Saltzman

Treasurer:  
 Fiscal Year 2017: Danyalle Torres  
 During Audit: Danyalle Torres

Afterschool Site Director:  
 Fiscal Year 2017: Sasha Lejeune  
 During Audit: Sasha Lejeune

**Cash and Investments**

Checking	\$ 30,044.53
Investments	
	\$ 30,044.53

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	16.09	224.30	0.00	0.00	0.00	240.39
Classes	848.76	18,501.00	17,741.53	3,916.99	3,920.34	1,604.88
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	4,029.43	8,442.46	7,431.40	1,527.46	1,501.17	5,066.78
Trusts	28,717.38	648,342.52	659,720.41	26,141.88	27,237.02	16,244.35
General	11,994.31	11,151.72	17,330.10	3,201.64	2,129.44	6,888.13
	\$ 45,605.97	\$ 686,662.00	\$ 702,223.44	\$ 34,787.97	\$ 34,787.97	\$ 30,044.53

## LEASING OF SCHOOL FACILITIES

### Finding

The lessee signature dates and witness signature dates were not the same for three leases (*Lease Agreements* #1005, #1016 and #1023), indicating that the witness was not present when the lessee signed the lease making the witness ineffective.

### Recommendation

Leasing of school facilities should be administered in accordance with *School Board Policy 7.18* and related District guidelines. Specifically, the witness should be present when the lessee signs the *Lease Agreement*.

### Management's Response

*Concur. All future leases will be completed and signed the day of lease.*

## PRENUMBERED DOCUMENTS

### Finding

The school did not maintain the *Document Custodian Assignment Register* (PBSD 1663).

### Recommendation

To ensure proper fiscal controls and accountabilities, and as required by *Chapter 27 of the Internal Accounts Manual*, designated staff should be assigned as document custodian for each prenumbered form. The assignment should be recorded on the *Document Custodian Assignment Register* (PBSD 1663) and approved by the Principal.

### Management's Response

*Concur. Discussed and will be sure to follow up in the future.*

## SUMMER CAMP PROGRAM

### Finding

The attendance records for Session Four of the 2017 Summer Camp Program were missing.

**Recommendation**

All records, including student attendance, should be retained for a time period consistent with *Afterschool Programs Operational Manual* and *District Record Retention Schedule*.

***Management's Response***

*Concur. Discussed and couldn't be found. All were supposed to be there.*

**Hammock Pointe Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 8400 SW 8th Street  
 Boca Raton, FL 33433

Principal:  
 Fiscal Year 2017: Stephanie Cook  
 During Audit: Stephanie Cook

Treasurer:  
 Fiscal Year 2017: Elsa Esparanza  
 During Audit: Elsa Esparanza

Afterschool Site Director:  
 Fiscal Year 2017: Bonnie Welch  
 During Audit: Maisoon Qablawi

**Cash and Investments**

Checking	\$ 47,422.47
Investments	
	\$ 47,422.47

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,867.11	1,924.00	1,994.44	2,864.09	2,864.09	1,796.67
Classes	0.00	65,385.02	63,911.38	3,551.28	4,771.72	253.20
Clubs	3,266.96	6,071.50	4,848.88	0.00	4.20	4,485.38
Departments	6,644.01	21,749.77	19,108.64	7,965.64	5,956.03	11,294.75
Trusts	20,674.75	563,454.75	558,638.74	11,413.29	14,603.70	22,300.35
General	4,702.69	8,816.52	8,632.53	5,351.22	2,945.78	7,292.12
	\$ 37,155.52	\$ 667,401.56	\$ 657,134.61	\$ 31,145.52	\$ 31,145.52	\$ 47,422.47

Hammock Pointe Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Heritage Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 5100 Melaleuca Lane  
Greenacres, FL 33463

Principal:  
Fiscal Year 2017: Nina Lant  
During Audit: Nina Lant

Treasurer:  
Fiscal Year 2017: Leslie Mennella  
During Audit: Maria Ortega

Afterschool Site Director:  
Fiscal Year 2017: Laura Lowman  
During Audit: Laura Lowman

**Cash and Investments**

Checking	\$ 34,427.16
Investments	
	\$ 34,427.16

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	90.25	432.00	464.28	32.28	32.28	57.97
Classes	0.00	6,523.60	5,725.83	550.35	550.35	797.77
Clubs	0.00	500.00	480.75	0.00	19.25	0.00
Departments	7,487.58	7,019.79	5,277.38	998.04	1,727.54	8,500.49
Trusts	12,982.22	166,215.69	162,469.86	8,446.81	7,778.35	17,396.51
General	8,700.63	8,928.78	10,035.28	3,055.86	2,975.57	7,674.42
	\$ 29,260.68	\$ 189,619.86	\$ 184,453.38	\$ 13,083.34	\$ 13,083.34	\$ 34,427.16

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

Disbursements #8055 (for \$2,675) and #8092 (for \$1,335.34) were for purchases of coupon books and yearbooks, respectively, for resale. However, the disbursements were supported by contracts signed by the sponsor and Assistant Principal instead of the Principal.

### Recommendation

All contracts should be approved by the Principal as required by *School Board Policy 6.14(4)*, which states “*the School Board has delegated limited authority to ... School Principals relating to the purchase of commodities and contractual services ...*”

### Management’s Response

*[Current Principal] Concur. Staff has been retrained.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that the school did not maintain the following records:

- *Document Custodian Assignment Register (PBSD 1663).*
- *Prenumbered Document Inventory Register (PBSD 0160) for Drop-Safe Log and School Checks.*

### Recommendation

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*,

- A designated document custodian should be assigned for each prenumbered form, and the assignments should be recorded on the *Document Custodian Assignment Register* (PBSD 1663) accordingly.
- To ensure all prenumbered documents are properly accounted for, the document custodian for each prenumbered document, including *Drop-safe Logs* and *School Checks*, should use the *Prenumbered Document Inventory Register* (PBSD 0160) to confirm the periodic inventory-check of the prenumbered forms.

Heritage Elementary School  
Management Letter  
Year Ended June 30, 2017

***Management's Response***

*[Current Principal] A custodial designee has been appointed and trained.*

**Hidden Oaks Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 7685 S. Military Trail  
 Lake Worth, FL 33463

Principal:  
 Fiscal Year 2017: Sari Myers  
 During Audit: Sari Myers

Treasurer:  
 Fiscal Year 2017: Roberta Rivera  
 During Audit: Migdalyn Vega

Afterschool Site Director:  
 Fiscal Year 2017: Lauren Galluscio  
 During Audit: Lauren Galluscio

**Cash and Investments**

Checking	\$ 74,151.51
Investments	
	\$ 74,151.51

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	3.91	1,607.00	1,575.00	32.00	32.00	35.91
Classes	16,126.38	64,256.42	59,429.78	15,119.98	15,019.98	21,053.02
Clubs	4,567.82	3,518.00	2,600.91	1,230.34	1,230.34	5,484.91
Departments	7,667.36	11,907.40	10,916.98	6,991.19	6,991.19	8,657.78
Trusts	33,791.27	396,480.03	394,217.35	14,320.43	14,420.43	35,953.95
General	( 527.95)	21,774.09	18,280.20	5,216.30	5,216.30	2,965.94
	\$ 61,628.79	\$ 499,542.94	\$ 487,020.22	\$ 42,910.24	\$ 42,910.24	\$ 74,151.51

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sampling of *Monies Collected Reports* (MCRs) at the school found that:

- *Section 3* for five pages of the *Drop-safe Log* (page #s 14-16020, 14-16045, 14-16046, 14-16078, and 14-16081) were not signed by the staff verifier to confirm the treasurer's entering the deposit information into the Internal Funds Accounting System.
- Monies collected were not always deposited in a timely manner. For example, a total of \$4,622.50 collected through 23 MCRs for Deposit #681 were retained by the sponsors for two to seven working days before they were put into the drop-safe for deposit.
- On January 11, 2017, a collection for \$297.88 was removed from the safe. However, there was no entry in the General Ledger documenting a deposit of the funds.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff-verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- As required by *DOE Rules* and District *Bulletin #P-14051-S/CFO*, monies collected should be put into the drop-safe daily and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could increase the exposure to sponsors and result in potential irregularities.

### Management's Response

*The reason there is no entry in General Ledger is because the line referenced was a gift card earned from a Barnes and Noble Family Night. Although the teacher was instructed not to enter anything on log and just "drop" the card, she failed to follow instructions. She is now employed at another Palm Beach County school.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser records found that:

- The sponsors of the following fundraisers did not complete the required eLearning Fundraiser Training Course prior to conducting the fundraiser activities:

<b>Fundraiser Activity</b>	<b>Account Number</b>	<b>Activity Began</b>	<b>Training Completed</b>
Yearbook Sales	7-0100.03		
Yearbooks Ads	7-0100.04	1/30/2017	No
Book fair	5-1700.01	9/12/2016	No
Safety Patrol Coupon books	6-4000.02	9/12/2016	
Third Grade Coupon Books	3-3300.04	9/12/2016	No
Grade 2 Spirit Sticks	3-3200.03	9/14/2016	No

- The Safety Patrol Coupon Book fundraiser (Account #6-4000.19) and 3<sup>rd</sup> Grade Coupon Book fundraiser (Account # 3-3300.04) did not have the required *Sales Item Inventory Reports*.
- There was no *Fundraising Application/Recap Form* for the General Activities Great American Fundraiser (Account #7-0100.01).

**Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and the related District guidelines. Specifically,

- To ensure staff understand and comply with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.
- The *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for any items that were given-away free-of-charge.
- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.

***Management's Response***

*Concur. The new treasurer trained all staff this year on procedures and will not accept fundraising applications without printed documentation that the eLearning course has been completed prior to the activity beginning. We will both make sure that I sign the Sales Item Inventory Reports upon completion of each fundraiser. We will also ensure that a Fundraising Application is on file for every fundraiser conducted.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

The review of sample disbursements and P-Card documentation found that:

- Disbursement #11943 (for \$2,070.30) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Disbursement #11945 for (\$600) did not have adequate supporting documentation for the expense. The expenditure was supported by student sales order forms, instead of an itemized invoice or receipt.
- Five P-Card transactions occurred in December 2016 did not have adequate supporting documentation. Two transactions totaling \$679.80 were supported by credit card receipts that did not provide the details of the items purchased. The other three (totaling \$346.70) were for food but did not indicate the business or educational purpose of the expenditures.
- Although the *Check Requisitions* for sample disbursements were defaced (stamped "PAID"), supporting documentation such as invoices/receipts were not always defaced after payment in order to prevent potential duplicate payments.
- Disbursement #12000 (\$7,362) was for final payment of charter bus for an out-of-county, 4<sup>th</sup> Grade field trip, on May 5, 2017. However, this field trip did not have the required *Field Trip/Activity Planning Report and Approval Request Form*.

**Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and the related District guidelines. Specifically,

- *Purchase Orders* pre-approved by the Principal should be issued for purchases in excess of \$1,000. This will help ensure that funds are and will be available for the purchase.

- School expenditures should be adequately supported by itemized invoices/receipts. As such, refund of field trip fees to students should be supported by the original payment records. Without adequate documentation, there is no assurance that the disbursements were appropriate.
- To ensure proper fiscal accountability, the purposes and justifications should be documented for all expenditures.
- To avoid duplicate payments, supporting documentation should be defaced (stamped “PAID”) after payment.
- Field trips should be conducted in accordance with ***School Board Policy 2.40*** and related District guidelines. A *Field Trip/Activity Planning Report and Approval Request* and TDEs must be completed by the sponsor and pre-approved by the Principal and other appropriate supervisors depending on the destination for each field trip.

### ***Management’s Response***

*Concur. Disbursement #11945: When the original invoice could not be located, the vendor reissued an invoice with both original date and date of request on invoice. All receipts/invoices will be detailed in the future and will be stamped (paid) after checks are issued. Disbursement #12000: The Regional Office sent back the Field Trip Request form to the teacher requesting more information, but never received it. This is the same teacher as the one referenced with the Barns & Noble gift card.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The review of records for leasing of school facilities found that:

- *Lease Agreement #1012* was not properly executed with all the signatures in a timely manner. The *Agreement* was not signed by the Principal or the lessee and the witness until one and seven days (respectively) after the leasehold periods had begun.
- Leasing charges for two leases (#1012 and #1008) from the same lessee were not collected prior to the use of facilities. Delays ranged from seven to 80 days.

### **Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

Hidden Oaks Elementary School  
Management Letter  
Year Ended June 30, 2017

- To ensure Lease Agreements are legally enforceable, they should be properly executed with all the required signatures, prior to the use of facilities by lessees.
- As required by **School Board Policy 7.18**, “fees are to be paid by check or credit card at least forty-eight (48) hours prior to use of a facility.” The school should recoup the \$245 in undercharged rentals from the lessee.

***Management’s Response***

*Concur. We will make sure that all signatures are executed prior to the use of the facilities. We will attempt to collect payment prior to the use of the facility. This church has leased the building for the last 13 years.*

***Additional Comments***

*This was the treasurer’s first year in the position.*

**Highland Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 500 Highland Avenue  
 Lake Worth, FL 33461

Principal:  
 Fiscal Year 2017: Elizabeth Morales  
 During Audit: Elizabeth Morales

Treasurer:  
 Fiscal Year 2017: Teresa Porter  
 During Audit: Teresa Porter

Afterschool Site Director:  
 Fiscal Year 2017: Heather Emerson  
 During Audit: Heather Emerson

**Cash and Investments**

Checking	\$ 74,851.84
Investments	
	\$ 74,851.84

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	35.88	232.00	112.00	0.00	0.00	155.88
Classes	11,073.91	48,326.59	46,887.50	11,012.02	12,904.21	10,620.81
Clubs	23,196.93	33,019.10	12,113.08	21,101.19	40,592.39	24,611.75
Departments	9,212.72	11,951.66	12,769.72	2,659.32	3,059.32	7,994.66
Trusts	13,353.04	143,864.51	154,127.84	23,914.58	6,803.07	20,201.22
General	12,410.30	3,315.65	9,130.31	5,275.98	604.10	11,267.52
	\$ 69,282.78	\$ 240,709.51	\$ 235,140.45	\$ 63,963.09	\$ 63,963.09	\$ 74,851.84

Highland Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**H.L. Johnson Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1000 Crestwood Boulevard North  
 Royal Palm Beach, FL 33411

Principal:  
 Fiscal Year 2017: Jennifer Makowski  
 During Audit: Jennifer Makowski

Treasurer:  
 Fiscal Year 2017: Maria Medina  
 During Audit: Maria Medina

Afterschool Site Director:  
 Fiscal Year 2017: Jennifer Tingler  
 During Audit: Jennifer Tingler

**Cash and Investments**

Checking	\$ 68,941.44
Investments	
	\$ 68,941.44

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	405.29	0.00	0.00	0.00	0.00	405.29
Classes	11,030.67	56,460.50	56,878.38	1,821.52	1,821.52	10,612.79
Clubs	254.35	0.00	0.00	0.00	0.00	254.35
Departments	552.10	17,659.14	15,663.56	1,647.92	1,647.92	2,547.68
Trusts	67,665.36	505,183.97	521,783.07	3,989.74	3,989.74	51,066.26
General	5,610.70	116.08	1,671.71	0.00	0.00	4,055.07
	\$ 85,518.47	\$ 579,419.69	\$ 595,996.72	\$ 7,459.18	\$ 7,459.18	\$ 68,941.44

H.L. Johnson Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Hope Centennial Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 5350 Stacy Street  
West Palm Beach, FL 33417

Principal:  
Fiscal Year 2017: Awilda Tomas-Andres  
During Audit: Awilda Tomas-Andres

Treasurer:  
Fiscal Year 2017: Elizabeth Biaggi / Kamyra Mcnutt  
During Audit: Kamyra Mcnutt

Afterschool Site Director:  
Fiscal Year 2017: Danielle Cole  
During Audit: Danielle Cole

**Cash and Investments**

Checking	\$ 22,483.50
Investments	
	\$ 22,483.50

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	836.88	0.00	0.00	777.00	777.00	836.88
Classes	989.09	5,572.90	3,107.33	4,241.37	4,141.37	3,554.66
Clubs	2,318.02	12,509.40	4,748.07	6,538.18	12,891.73	3,725.80
Departments	1,279.35	2,517.06	2,577.06	10.00	10.00	1,219.35
Trusts	10,171.71	77,136.41	84,290.46	6,298.26	337.13	8,978.79
General	4,351.74	8,630.18	9,106.32	2,506.52	2,214.10	4,168.02
	\$ 19,946.79	\$ 106,365.95	\$ 103,829.24	\$ 20,371.33	\$ 20,371.33	\$ 22,483.50

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of sample disbursements and P-Card purchases found that receipts and invoices for seven disbursements (#11039, #11056, #11073, #11086, #11088, #11092, and #11120) totaling \$15,492.97 were not defaced (stamped PAID) after payment.

### **Recommendation**

Disbursements should be administered in accordance with Internal Accounts Manual, and the related District guidelines. Specifically, to avoid duplicate payments, receipts and invoices should be defaced (stamped "PAID") after payment.

### ***Management's Response***

*Concur. The bookkeeper is new to the position. She was unaware of this procedure. She has been counseled and the procedure put into effect immediately. No duplicate payment was made.*

## PRENUMBERED DOCUMENTS

### **Finding**

The review of controls in prenumbered documents found that the school did not perform the required monthly inventory for the *Drop-safe Log*. During the year, *Drop-safe Logs* were inventoried on July 21, 2016, August 16, 2016, and February 17, 2017.

### **Recommendation**

To ensure proper fiscal accountability and as required by **Chapter 27 of the Internal Accounts Manual**, the *Drop-safe Log* should be inventory-checked monthly by the designated document custodian and the results be recorded on the *Prenumbered Document Inventory Register (PBSD 0160)*.

### ***Management's Response***

*Concur. The document custodian is new to this assignment and was not aware of the procedure. She has been counseled and the procedure put into place immediately. No drop safe logs were missing.*

***Additional Comments:*** *I recommend that we consider some face to face training for document custodians to support eLearning and bulletins. Also, it would be helpful if the principal receives a notice email when the forms are not scanned monthly as required. This would allow us to maintain safety procedures rather than wait for an audit.*

**Indian Pines Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 6000 Oak Royal Drive  
Lake Worth, FL 33463

Principal:  
Fiscal Year 2017: Jill Robinson  
During Audit: Jill Robinson

Treasurer:  
Fiscal Year 2017: Mayra Hernandez  
During Audit: Mayra Hernandez

Afterschool Site Director:  
Fiscal Year 2017: Marie Charles  
During Audit: Marie Charles

**Cash and Investments**

Checking	\$ 40,789.95
Investments	
	\$ 40,789.95

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	3,665.08	1,589.00	799.82	265.00	265.00	4,454.26
Classes	1,084.50	20,295.35	17,322.06	7,179.75	10,777.96	459.58
Clubs	13,404.25	33,244.25	31,575.19	33,494.85	31,928.21	16,639.95
Departments	1,095.47	4,475.52	4,029.61	0.00	0.00	1,541.38
Trusts	18,563.18	84,752.04	88,650.71	2,605.00	3,230.00	14,039.51
General	1,971.36	1,387.78	2,360.44	2,821.57	165.00	3,655.27
	\$ 39,783.84	\$ 145,743.94	\$ 144,737.83	\$ 46,366.17	\$ 46,366.17	\$ 40,789.95

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of controls in prenumbered documents found that the school did not maintain the *Prenumbered Document Inventory Register (PBSD 0160)* for *Drop-safe Logs*.

### **Recommendation**

To ensure proper fiscal accountability and as required by Chapter 27 of the Internal Accounts Manual, the Document Custodian for each prenumbered document, including Drop-Safe Logs, should use the Prenumbered Document Inventory Register (PBSD 0160) to account for the inventory of the forms.

### ***Management's Response***

*Concur. 1) Assigned new document custodian contact. 2) Reviewed all procedures and protocol.*

**J.C. Mitchell Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 2470 NW 5th Avenue  
 Boca Raton, FL 33431

Principal:  
 Fiscal Year 2017: Joan Pierre-Jerome  
 During Audit: Joan Pierre-Jerome

Treasurer:  
 Fiscal Year 2017: Laura Sattler  
 During Audit: Laura Sattler

Afterschool Site Director:  
 Fiscal Year 2017: Lisa Faustini  
 During Audit: Erica Wint

**Cash and Investments**

Checking	\$ 47,517.75
Investments	
	\$ 47,517.75

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	3,880.78	3,560.25	3,405.92	1,624.75	1,624.75	4,035.11
Classes	7,998.19	9,937.29	7,846.43	508.25	521.91	10,075.39
Clubs	266.63	220.00	81.00	19.00	19.00	405.63
Departments	7,152.06	16,791.90	12,502.37	4,416.11	4,473.82	11,383.88
Trusts	24,692.76	495,245.22	501,636.47	10,388.83	11,345.94	17,344.40
General	4,868.36	10,345.77	11,969.27	2,719.23	1,690.75	4,273.34
	\$ 48,858.78	\$ 536,100.43	\$ 537,441.46	\$ 19,676.17	\$ 19,676.17	\$ 47,517.75

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that *Section 3* for seven pages of the Drop-Safe Log (page #s 14-26476, 14-26479 through 14-26483, and 14-26493) were not signed by the staff verifier to confirm the treasurer's entering the deposit information into the Internal Funds Accounting System.

### Recommendation

To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO*, the treasurer and an independent staff should jointly verify the contents of the safe compared to *Section 2* of the *Log*. This is to confirm that the deposits from the safe were removed by the treasurer for processing. The staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur. The principal met with the bookkeeper and the staff members who sign as verifiers to review correct procedures.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

Disbursement #12046 (for \$18,641) was a payment for transportation of the Safety Patrol Washington D.C. field trip. However, the related *Field Trip/Activity Planning Report and Request Form* for this out-of-state field trip was not approved by the Regional/Instructional Superintendent.

### Recommendation

Field trips should be administered in accordance with *School Board Policy 2.40*. Specifically, out-of-state field trips should be approved by the Principal and Regional/Instructional Superintendent.

### Management's Response

*Concur. Principal will be sure correct signatures are in place in compliance with District policy.*

**Jerry Thomas Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 800 Maplewood Drive  
Jupiter, FL 33458

Principal:  
Fiscal Year 2017: Michael Rieckenberg  
During Audit: Jeffrey Eassa

Treasurer:  
Fiscal Year 2017: Lashante Henderson  
During Audit: Thea Allen

Afterschool Site Director:  
Fiscal Year 2017: Lisa Borrie  
During Audit: Lisa Borrie

**Cash and Investments**

Checking	\$ 67,713.29
Investments	
	\$ 67,713.29

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1.25	0.00	148.40	150.00	0.00	2.85
Classes	1,333.01	54,905.90	52,012.05	8,247.03	7,420.63	5,053.26
Clubs	8,601.80	11,572.16	7,294.28	10,477.14	13,208.94	10,147.88
Departments	8,339.93	8,133.84	9,806.92	590.40	0.00	7,257.25
Trusts	45,322.95	400,897.10	403,604.31	16,412.41	16,577.31	42,450.84
General	2,903.84	17,422.54	18,855.07	4,759.90	3,430.00	2,801.21
	\$ 66,502.78	\$ 492,931.54	\$ 491,721.03	\$ 40,636.88	\$ 40,636.88	\$ 67,713.29

**DEPOSIT OF MONIES**

**Finding**

The review of the *Drop-safe Log* found that:

- 22 pages of the Log (page #s 14-47869, 14-47870, 14-47880, 14-47881, 14-47899, #14-26401 through 14-26404, and #14-26416 through 14-26428) were missing. The missing pages were for collection information during February 9 through 13, March 15 through 26, April 26 through 27, April 29 through May 7, and May 18 through August 13, 2017.
- *Section 3* for all pages beginning from March 27, 2017, through August 11, 2017, were not signed by the staff-verifier to confirm the treasurer’s entering the deposit information into the Internal Funds Accounting System.
- During the audit, we noted that the Document Custodian for the *Drop-safe Log* had not returned the *Official Receipts* to the originating sponsors and kept them in the *Log* book. We expanded our review of the yellow MCRs to determine if all collections were accounted for and money was deposited. Our expanded review found that beginning from February 20, 2017, only 4% of the *Official Receipts* were returned to the originating sponsors.

<b>Fiscal Year 2017</b>	<b>Count</b>		<b>Amount</b>	
Total Official Receipts Issued	1488	100%	\$319,534.66	100%
Total Sampled Official Receipts	518	35%	\$55,062.61	17%

<b>Sampled Yellow Monies Collected Reports</b>	<b>Total Count</b>	<b>Attached</b>	<b>% returned</b>
Official Receipts turned in prior to Feb 13, 2017	265	239	90%
Official Receipts turned in after Feb 20, 2017	253	11	4%

**Recommendation**

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education’s Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of

the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

- *Official Receipts* (generated by the Internal Funds Accounting System) should be signed by the treasurer and provided to the staff-verifier to complete *Section 3* of the *Drop-safe Log*. Then the receipts should be returned to the remitters to acknowledge the receipts and recording of funds in the system.

### ***Management's Response***

*[Current Principal] Concur. Changes in the document custodian responsibilities have already been made.*

## **DOCUMENTATION FOR FUNDRAISER**

### **Finding**

The review of fundraiser records found that:

- Three fundraisers did not have the required *Fundraising Application/Recap* and *Sales Item Inventory Report*; Grade 4 T-Shirt Sales (Account #3-3400.01), Coupon Book Sales (Account #4-4300.02), and Yearbook Sales (Account #7-0100.01).
- Disbursement #13700 (for \$968.50) was for purchase of cakes for a fundraiser. The purchase was made on May 26, 2017; however, the related *Fundraising Application/Recap Form (PBSD 1053)* was not approved by the Principal, nor signed and verified by the treasurer.

### **Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. Specifically,

- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the actual sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items, if any, that were given-away or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

### ***Management's Response***

*[Current Principal] Concur.*

## **DOCUMENTATION FOR DISBURSEMENT**

### **Finding**

The review of records for sample disbursements and P-Card purchases found that:

- Two disbursements (#13458 for \$850, and \$13574 for \$425) were for paying consultants to provide Afterschool Program entertainment. However, the related *School District Consultant Agreements (PBSD 1420)* were not approved by the Principal. Also, the supporting invoices were not defaced (stamped "PAID") after payment in order to prevent potential duplicate payments.
- Disbursement #13628 (for \$ 300) was for choreography and consultation for the Talent Showcase. The disbursement was supported with a *School District Consultant Agreement (PBSD 1420)* which was not signed by the Principal. Instead the agreement was signed with the Principal's signature stamp and dated 10 days after the services began.
- Two of the sample *P-Card Monthly Bank Statements* for November 2016, were not signed by the cardholders and Principal.

### **Recommendation**

Disbursements should be administered in accordance with **Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)**, and the related District guidelines. Specifically,

- To protect the best interest of the school, *School District Consultant Agreements* should be properly executed with the needed information and signatures prior to the consultant providing the services.
- To avoid duplicate payments, supporting documentation should be defaced (stamped "PAID") after payment.
- To prevent and detect potential frauds and irregularities and in accordance with ***Purchasing Card Procedures (Purchasing Manual Chapter 24)***, P-Card activities should be timely reconciled after the receipt of bank statements. Cardholders should complete the Purchasing Card *End of Cycle Checklist* monthly, and all monthly P-Card reconciliation records should be reviewed and approved by the Principal.

**Management’s Response**

[Current Principal] Concur.

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of records for leasing of school facilities found that:

- The school did not have the hard copy of the executed *Lease Agreements* for six leases (#s 1003, 1007, 1009, 1011, 1014, and 1016).
- Leasing charges for six leases totaling \$1,738.75 were not allocated and recorded in the respective accounts in accordance with the District’s guidelines. During the year the school incorrectly recorded the lease payments in other unrelated accounts for four leases (#s 1007, 1008 ,1009, and 1011). The entire lease payment was recorded into the School Share account for lease #s 1014 and 1016.

Lease ID#	Total Lease Amount	Deposited Into		Correct Account Allocation		
		Account #	Account	#6-3800 School Share	#6-5500 District Share	#6-1800 Sales Tax
1007	\$107.00	6-4404.00	Teacher Appreciation	\$65.00	\$35.00	\$7.00
1008	428.00	7-0100.00	General Activities	320.00	80.00	28.00
1009	240.75	6-4404.00	Teacher Appreciation	146.25	78.75	15.75
1011	160.50	6-0200.00	Administrative Courtesy	97.50	52.50	10.50
1014	374.50	6-3800.00	School Share	280.00	70.00	24.50
1016	428.00	6-3800.00	School Share	320.00	80.00	28.00
<b>Totals</b>	<b>\$1,738.75</b>			<b>\$1,228.75</b>	<b>\$396.25</b>	<b>\$113.75</b>

**Recommendation**

Leasing of school facilities should be administered in accordance with **School Board Policy 7.18** and related District guidelines. Specifically,

- To ensure *Lease Agreements* are legally enforceable, they should be properly executed with all the required signatures, prior to the lessee's use of facilities. The school should also maintain a hard copy of the executed *Lease Agreement* for future reference.
- Leasing revenues should be allocated in accordance with the District's approved *Rate Schedule*. The District's portions of leasing fees should be transmitted to the Central Office accordingly.

***Management's Response***

*[Current Principal] Concur.*

**PRENUMBERED DOCUMENTED**

**Finding**

The review of compliance in control procedures for prenumbered documents found that the school did not maintain the following records:

- *Document Custodian Assignment Register (PBSD 1663)*
- *Prenumbered Document Inventory Register (PBSD 0160) for Drop-safe Log and School Checks.*

**Recommendation**

To ensure proper fiscal accountabilities and as required by *Internal Accounts Manual, Chapter 27*, the custodian for prenumbered forms should be someone who is not involved in the day-to-day use of the form; and each assigned document custodian shall use the *Prenumbered Document Inventory Register (PBSD 0160)* and the *Document Custodian Assignment Register (PBSD 0163)* to perform the periodic inventory of the prenumbered forms.

***Management's Response***

*[Current Principal] Concur. Changes made.*

***Additional Comments***

*[Current Principal] Please keep in mind I was not the principal at the time these violations occurred. However, I will proceed with rectifications.*

**Jupiter Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 200 South Loxatatchee Drive  
Jupiter, FL 33458

Principal:  
Fiscal Year 2017: Daniel Smith  
During Audit: Patricia Trejo

Treasurer:  
Fiscal Year 2017: Beatriz Sarmiento  
During Audit: Beatriz Sarmiento

Afterschool Site Director:  
Fiscal Year 2017: Cheri Rosen  
During Audit: Tuesday Merel

**Cash and Investments**

Checking	\$ 85,796.90
Investments	
	\$ 85,796.90

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	233.91	250.00	123.94	0.00	0.00	359.97
Classes	8,403.99	21,532.20	21,989.19	3,204.77	4,804.77	6,347.00
Clubs	702.59	6,831.94	201.90	0.00	0.00	7,332.63
Departments	6,019.27	5,132.83	3,128.63	0.00	0.00	8,023.47
Trusts	58,702.17	297,908.90	295,296.79	5,522.70	5,522.70	61,314.28
General	6,168.48	6,089.32	11,438.25	2,041.51	441.51	2,419.55
	\$ 80,230.41	\$ 337,745.19	\$ 332,178.70	\$ 10,768.98	\$ 10,768.98	\$ 85,796.90

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation found that:

- The school purchased 139 T-shirts for the Kindergarten T-shirts fundraiser (Account #3-3000.02) for resale at \$6 each, which should have generated a total estimated revenue of \$834 (\$6 x 139). However, a total of \$721 in sales revenue was deposited into the fundraiser account. As a result, \$113 (\$834 - \$721) or 14% in estimated revenue was unaccounted for. Also, there was no *Sales Item Inventory Report*, and no record of the sponsor completing the eLearning training for Fiscal Year 2017.
- The school purchased 151 T-shirts for the 1<sup>st</sup> Grade T-shirts sales (Account #3-3100.02) for resale at \$5 each, which should have generated a total estimated revenue of \$755 (\$5 x 151). However, a total of \$605 in sales revenue was deposited into this fundraiser. As a result, \$150 (\$755 - \$605) or 20% in estimated revenue was unaccounted for. Also, there was no *Sales Item Inventory Report*.

### Recommendation

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- To ensure proper fiscal accountability, *Sales Item Inventory Report* should be prepared and completed with accurate information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenue and (2) tracking fundraiser items purchased, given-away, or remained in ending inventory. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly. All monies raised through fundraisers should be accounted for properly.

### Management's Response

*Concur. Staff was told of the eLearning training, will follow up with making sure that the staff complies with district policy. Will comply with completing Sales Items Inventory.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchases found that:

- Disbursement #11878 (for \$73.48) was for paint materials to paint the front office. Although staff said they inquired the Purchasing Department verbally as to the type of paint to purchase, no written approval from Purchasing was obtained. Purchasing procedures require chemical purchases such as paint be approved by the Purchasing Department.
- Two disbursements (#11899 for \$2,895.90 and #12080 for \$2,155.96) exceeded the \$1,000 *Purchase Order* threshold, which required an approved *Purchase Order* from the principal.

### Recommendation

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and the related District guidelines. Specifically,

- The purchase of paint must be approved by the Purchasing Department.
- A *Purchase Order* approved by the Principal should be issued for each purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase.

### Management's Response

*Concur. Will have written, not just verbal approval, if ever purchasing paint again. Will make sure to have a Purchase Order for purchases in excess of \$1,000.00.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls of prenumbered documents disclosed that the school did not have the *Prenumbered Document Inventory Register (PBSD0160)* for the *Drop-Safe Logs*.

### Recommendation

Prenumbered documents should be periodically inventoried in accordance with the inventory schedule, and documented on the *Prenumbered Document Inventory Register (PBSD 0160)*.

***Management's Response***

*Concur. Due to several staff changes, the process was overlooked. All prenumbered documents are being inventoried in accordance with inventory schedule.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of facility leasing found that, six leases (#1003, #1008, #1009, #1010, #1011, and #1012, totaling \$1,569.05) were recorded in the Tririga System as "Issued". Although the school's general ledger recorded the funds being collected, the payments were not recorded in the Tririga System. As a result, the Tririga System understated the amount of leasing fees collected by \$1,569.05.

**Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically, leasing information should be accurately recorded in the Tririga System; and the information should be updated for collections, contract amendments and cancellations.

***Management's Response***

Concur. Unaware that payments needed to be recorded in Tririga system. The information will be updated for all collections, contract amendments and cancellations.

**Jupiter Farms Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 17400 Haynie Lane  
 Jupiter, FL 33478

Principal:  
 Fiscal Year 2017: Suzanne Matuella  
 During Audit: Suzanne Matuella

Treasurer:  
 Fiscal Year 2017: Carolyn Santos  
 During Audit: Carolyn Santos

Afterschool Site Director:  
 Fiscal Year 2017: Jenny Giambangno  
 During Audit: Jenny Giambangno

**Cash and Investments**

Checking	\$ 39,614.12
Investments	
	\$ 39,614.12

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	2,363.83	0.00	159.98	0.00	0.00	2,203.85
Classes	1,695.11	74,746.80	66,814.39	5,027.76	7,168.15	7,487.13
Clubs	6,401.60	2,180.45	4,513.57	3,203.60	1,073.65	6,198.43
Departments	2,509.90	5,517.19	4,981.64	0.00	0.00	3,045.45
Trusts	27,114.06	432,014.45	438,100.89	7,121.92	10,713.78	17,435.76
General	1,880.10	8,800.24	11,039.14	5,447.30	1,845.00	3,243.50
	\$ 41,964.60	\$ 523,259.13	\$ 525,609.61	\$ 20,800.58	\$ 20,800.58	\$ 39,614.12

Jupiter Farms Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**K.E. Cunningham/Canal Point Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 37000 Main Street  
 Canal Point, FL 33438

Principal:  
 Fiscal Year 2017: Derrick Hibler  
 During Audit: Derrick Hibler

Treasurer:  
 Fiscal Year 2017: Michele Griffin / D'wana Steed  
 During Audit: D'wana Steed

**Cash and Investments**

Checking	\$ 11,222.72
Investments	
	\$ 11,222.72

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	45.96	150.00	98.71	0.00	0.00	97.25
Classes	0.00	4,356.95	3,308.05	975.10	2,024.00	0.00
Clubs	8,122.77	7,257.10	16,237.64	6,998.73	4,940.33	1,200.63
Departments	270.39	3,494.00	3,604.31	102.78	160.08	102.78
Trusts	7,541.90	101,185.04	97,595.06	160.00	2,218.40	9,073.48
General	2,055.23	10,491.22	12,904.07	7,760.22	6,654.02	748.58
	\$ 18,036.25	\$ 126,934.31	\$ 133,747.84	\$ 15,996.83	\$ 15,996.83	\$ 11,222.72

## ACCESS TO DROP-SAFE

### Finding

Although the school had a new Treasurer since August 2017, the access combination for the drop-safe had not been changed as of November 30, 2017. During the audit, we recommended that a work order be submitted to change the combination immediately.

### Recommendation

To ensure assets are safeguarded properly, the combination to access the drop-safe should be changed when there is a change in personnel who has the combination.

### Management's Response

*Concur. The drop-safe combination has been changed.*

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- \$135.91 collected through MCR #543-5 was retained by the sponsor for five working days before the monies were deposited into the drop-safe.
- Certain information was missing from *Sections 2 and 3* for five pages (#s 12-73178, 12-73216, 12-73208, 12-73251, and 12-73219) of the *Drop-safe Log*. Missing information included the dates when money was removed from the safe, the verifier's initials, and the receipt numbers.
- Relevant information on 13 checks totaling \$304 on the related MCR (#588-1 for \$3,087.05) was not identified by the sponsor of the Krispy Kreme fundraiser (Account #7-0100.14).

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- **DOE Rules** and **District Bulletin #P-14051-S/CFO** require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted liability and result in potential irregularities.
- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the Log before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the Log to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the Log after the treasurer entered the deposit information into the school's accounting system.
- Monies collected should be supported by MCRs with all the required information, including the account number, remitter's signature, payer's name, dollar amount, and check number when appropriate.

### ***Management's Response***

*Concur. I met with our new bookkeeper and secretary and reviewed the notes from the auditor and set clear expectations for everyone to follow.*

## **DOCUMENTATION FOR FUNDRAISERS**

### **Finding**

The review of sample fundraiser records revealed that:

- The sponsors for the Yearbook Sales (Account #7-0100.07) and Spirit Shirt Sales (Account #7-0100.11) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017.
- The Yearbook Sales (Account #7-0100.07) had a total sales revenue of \$390, which was deposited into the Internal Funds during the period May 23, 2017, through June 5, 2017. However, based on the school's purchasing records, the *Sales Item Inventory Report*, and our examination of physical inventory during the audit, this fundraiser should have generated a total estimated revenue of \$500. Consequently, \$110 (\$500 - \$390) or 22% in estimated revenue was unaccounted for.

K. E. Cunningham/Canal Point Elementary School  
 Management Letter  
 Year Ended June 30, 2017

Item	Quantity					Selling Price <sup>(1)</sup>	Revenues
	Beginning Inventory <sup>(1)</sup>	Purchases <sup>(2)</sup>	Items Given Away <sup>(1)</sup>	Inventory On Hand <sup>(3)</sup>	Units Sold		
Yearbook	0	56	0	6	50	\$10	\$500

Total Estimated Revenues \$500  
 Total Sales Revenues Collected \$390  


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***Estimated Revenues Unaccounted For*** \$110 (22%)

- (1) Based on *FY17 Sales Item Inventory Report*.
- (2) Based on purchasing records during May 23, 2017, through June 5, 2017.
- (3) Based on our examination of physical inventory on December 1, 2017.

- The Spirit Shirt Sales (Account #7-0100.11) received \$612 in sales revenues which was deposited into the Internal Funds during August 17, 2016, through May 22, 2017. Based on the school's purchasing records, *Sales Item Inventory Report*, and our counting of inventory during the audit, this fundraiser should have generated a total estimated revenue of \$850. As a result, \$238 (\$850 – 612) or 28% in estimated revenue was unaccounted for.

Item	Quantity					Selling Price <sup>(1)</sup>	Revenues
	Beginning Inventory <sup>(1)</sup>	Purchases <sup>(2)</sup>	Items Given Away <sup>(1)</sup>	Inventory On Hand <sup>(3)</sup>	Units Sold		
Youth S Red	0	20	7	9	4	\$15	\$60
Youth M Red	0	20	3	14	3	\$15	\$45
Youth L Red	0	10	0	3	7	\$15	\$105
Adult Small	2	1	0	2	1	\$15	\$15
Adult Med	0	14	3	10	1	\$15	\$15
Adult Large	2	10	0	10	2	\$15	\$30
Adult XL	1	5	0	0	6	\$15	\$90
Adult XXL	0	3	0	1	2	\$15	\$30
Adult XXXL	0	2	0	1	1	\$15	\$15
Youth S Blue	0	20	0	17	3	\$15	\$45
Youth M Blue	0	20	3	16	1	\$15	\$15
Youth L Blue	0	10	0	8	2	\$15	\$30

K. E. Cunningham/Canal Point Elementary School  
 Management Letter  
Year Ended June 30, 2017

Youth XS Red	0	18	4	13	1	\$15	\$15
Youth XS Blue	0	18	0	16	2	\$15	\$30
2X Blue	2	5	0	4	3	\$17	\$51
3XL Red	0	2	3	0	5	\$18	\$90
3XL Blue	0	2	0	0	2	\$18	\$36
4XL Blue	1	3	0	0	4	\$19	\$76
4XL Red	0	2	0	1	3	\$19	\$57
Total Estimated Revenues							\$850
Total Sales Revenues Collected							\$612
							\$238
<b><i>Estimated Revenues Unaccounted For</i></b>							<b><i>(28%)</i></b>

- (1) Based on FY17 Sales Item Inventory Report.  
 (2) Based on purchasing records during August 17, 2016, through May 22, 2017.  
 (3) Based on our examination of physical inventory on December 1, 2017.

**Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and the related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- To safeguard the school’s assets and ensure proper fiscal accountability, *Sales Item Inventory Report* should be completed with accurate information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.

***Management’s Response***

*Concur. I corrected this with my staff immediately.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

The review of sample disbursements and P-Card records found that:

K. E. Cunningham/Canal Point Elementary School  
Management Letter  
Year Ended June 30, 2017

- Disbursement #10554 (for \$3,066.66) was for an employee reimbursement that included a HP Envy Touch 17.3-Inch Full LED Laptop with software and peripherals for \$628.13. However, this laptop could not be located on the school campus for our inspection during the audit.
- Disbursement #10538 (for \$2,904.00) was payment for admission fees for an Out-of-County 5th Grade Student field trip to Universal Orlando. However, the *Check Requisition* was not signed by the sponsor to confirm the receipt of goods and services. In addition, the *Temporary Duty Elsewhere (TDE)* Forms for the accompanying staff were not approved by the Regional Superintendent.
- Disbursement #10528 (for \$321.95) was for an employee reimbursement for various studio supplies, including monitors and a TV-PC converter purchased from October 26, 2016 through November 1, 2016. However, the purchases were shipped to the staff member's home address instead of the school.
- Disbursement #10491 (for \$1,000) did not have supporting documentation for the expenses.
- Three disbursements (#10524 for \$195, #10563 for \$825, and #10499 for \$375) were for consultants supported by the *School District Consultant Agreements (PBSD 1420)*. However, there were no invoices from the consultants.
- A November 1, 2016, P-Card purchase (\$118) was supported by a credit card receipt that did not have the details of the purchases.
- Online purchases with the school's P-Card during July and September 2016 included a payment of \$173.67 in sales tax.
- Supporting documentation, such as invoices/receipts, were not defaced (stamped "PAID") after payment in order to prevent duplicate payments.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual*, *Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- School property should be accounted for at all time. School property temporarily removed from campus should be documented on the *Off-Premises Property Transfer Forms (PBSD 1279)* and approved by the Principal accordingly.
- Field trips should be conducted in accordance with *School Board Policy 2.40* and related District guidelines. A *Field Trip/Activity Planning Report and Approval Request* and TDEs must be completed by the sponsor and pre-approved by the Principal and other appropriate

supervisors, depending on the destination for each field trip.

- To safeguard the school's assets, school purchases should be delivered to the school, not an employee's home address.
- School assets should stay on school campus; and should be used only for District purposes. As required by *School Board Policy 3.02, Code of Ethics, Section 5.f.*, "we are committed to ensuring that District facilities, equipment, supplies, or other District resources are used for District purposes only. Except for occasional and incidental personal use, we will not tolerate improper use of public resources, and will report and reimburse the District for costs associated with personal use."
- Expenditures should be adequately supported by itemized invoices/receipts. Without supporting documentation, there is no assurance that the expenses were appropriate.
- To ensure that purchases are appropriate, disbursements and P-Card purchases should be documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- The School District is sales tax-exempt governmental entity, and should not pay sales tax for qualified purchases.
- To avoid duplicate payments, supporting documentation should be defaced (stamped "PAID") after payment.

### ***Management's Response***

*Concur. I corrected this with my staff immediately.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of controls in prenumbered documents found that the school did not perform the required monthly inventory for the *Drop-safe Log*.

### **Recommendation**

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*, the *Drop-safe Log* should be inventory-checked monthly by the designated document custodian. The results should be recorded on the *Prenumbered Document Inventory Register (PBSD 0160)*.

K. E. Cunningham/Canal Point Elementary School  
Management Letter  
Year Ended June 30, 2017

***Management's Response***

*Concur. This was corrected immediately..*

**Lake Park Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 410 3rd Street  
Lake Park, FL 33403

Principal:  
Fiscal Year 2017: Michelle Goncalves-Fleming  
During Audit: Michelle Goncalves-Fleming

Treasurer:  
Fiscal Year 2017: Patty Gomez  
During Audit: Patty Gomez

Afterschool Site Director:  
Fiscal Year 2017: Martha Christie-Patrick  
During Audit: Martha Christie-Patrick

**Cash and Investments**

Checking	\$ 20,606.41
Investments	
	\$ 20,606.41

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	38.67	130.00	130.00	0.00	0.00	38.67
Classes	282.68	5,180.00	2,253.55	266.00	266.00	3,209.13
Clubs	5,261.77	10,650.62	6,594.32	7,145.08	8,503.58	7,959.57
Departments	2,909.55	5,380.93	3,392.98	924.66	924.66	4,897.50
Trusts	6,600.19	64,429.70	68,008.18	1,383.50	25.00	4,380.21
General	539.67	6,629.24	7,047.58	660.26	660.26	121.33
	\$ 15,632.53	\$ 92,400.49	\$ 87,426.61	\$ 10,379.50	\$ 10,379.50	\$ 20,606.41

Lake Park Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Lantana Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 710 West Ocean Avenue  
Lantana, FL 33462

Principal:  
Fiscal Year 2017: Janyn Robinson  
During Audit: Janyn Robinson

Treasurer:  
Fiscal Year 2017: Danielle McNeely  
During Audit: Danielle McNeely

Afterschool Site Director:  
Fiscal Year 2017: Denise Sasiain  
During Audit: Denise Sasiain

**Cash and Investments**

Checking	\$ 27,171.41
Investments	
	\$ 27,171.41

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Classes	2,907.26	21,728.82	18,090.83	11,326.06	11,724.06	6,147.25
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	615.90	5,056.91	4,979.86	622.32	622.32	692.95
Trusts	8,681.37	185,662.83	183,019.97	8,917.61	8,511.11	11,730.73
General	5,223.15	15,209.48	11,823.65	3,949.21	3,957.71	8,600.48
	\$ 17,427.68	\$ 227,658.04	\$ 217,914.31	\$ 24,815.20	\$ 24,815.20	\$ 27,171.41

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of sample disbursements and P-Card documentation revealed that two disbursements did not have adequate supporting documentation for the expenses.

- Disbursement #11325 (for \$1,653.60) was supported by a statement which did not show the details of the items purchased.
- Disbursement #11323 (for \$981.60) was for payment to a consultant for the October 31, 2016, in-house Science, Technology, Reading, Engineering, Art and Math activities. However, there was no invoice to support the expenditure.

### **Recommendation**

To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.

### ***Management's Response***

*Concur. (1) Request itemized invoice. (2) Request invoice.*

**Liberty Park Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 6601 Constitution Way  
Greenacres, FL 33463

Principal:  
Fiscal Year 2017: Joseph Schneider  
During Audit: Joseph Schneider

Treasurer:  
Fiscal Year 2017: Liliana Campos  
During Audit: Liliana Campos

Afterschool Site Director:  
Fiscal Year 2017: Elizabeth Negrón  
During Audit: Elizabeth Negrón

**Cash and Investments**

Checking	\$ 18,628.39
Investments	
	\$ 18,628.39

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Classes	0.00	19,722.00	18,177.06	3,657.67	5,202.61	0.00
Clubs	1,072.90	690.25	1,452.75	0.00	0.00	310.40
Departments	5,217.49	14,836.26	15,675.04	1,805.58	2,081.13	4,103.16
Trusts	3,961.44	201,446.74	197,529.99	6,252.04	8,320.55	5,809.68
General	9,329.04	14,366.28	19,179.17	3,889.00	0.00	8,405.15
	\$ 19,580.87	\$ 251,061.53	\$ 252,014.01	\$ 15,604.29	\$ 15,604.29	\$ 18,628.39

Liberty Park Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Lighthouse Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 4750 Dakota Drive  
 Jupiter, FL 33458

Principal:  
 Fiscal Year 2017: Julie Hopkins  
 During Audit: Julie Hopkins

Treasurer:  
 Fiscal Year 2017: Stephanie Schultz  
 During Audit: Stephanie Schultz

Afterschool Site Director:  
 Fiscal Year 2017: Marie Delizia  
 During Audit: Marie Delizia

**Cash and Investments**

Checking	\$ 71,263.70
Investments	
	\$ 71,263.70

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Classes	1,072.25	35,994.08	35,086.07	2,090.51	4,070.77	0.00
Clubs	2,446.97	1,600.00	880.02	1,289.16	2,286.85	2,169.26
Departments	8,895.33	20,492.39	21,953.25	8,887.08	8,933.31	7,388.24
Trusts	30,418.97	585,906.57	559,995.35	798.70	4,029.27	53,099.62
General	9,675.55	20,179.90	27,503.62	10,724.53	4,469.78	8,606.58
	\$ 52,509.07	\$ 664,172.94	\$ 645,418.31	\$ 23,789.98	\$ 23,789.98	\$ 71,263.70

Lighthouse Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Limestone Creek Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 6701 Church Street  
 Jupiter, FL 33458

Principal:  
 Fiscal Year 2017: Maria Lloyd  
 During Audit: Maria Lloyd

Treasurer:  
 Fiscal Year 2017: Melinda McDowell  
 During Audit: Melinda McDowell

Afterschool Site Director:  
 Fiscal Year 2017: Cindy Williams  
 During Audit: Lisa Faustini

**Cash and Investments**

Checking	\$ 64,840.60
Investments	
	\$ 64,840.60

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	2,110.19	759.00	2,787.98	8.00	8.00	81.21
Classes	12,442.94	76,960.81	85,780.18	24,242.63	21,422.63	6,443.57
Clubs	6,465.50	25,087.18	18,995.69	10,091.98	18,189.24	4,459.73
Departments	17,761.03	33,243.04	36,438.62	8,281.15	7,981.15	14,865.45
Trusts	31,004.59	442,407.26	444,791.54	17,631.50	15,416.70	30,835.11
General	6,747.47	16,996.36	18,350.76	7,075.50	4,313.04	8,155.53
	\$ 76,531.72	\$ 595,453.65	\$ 607,144.77	\$ 67,330.76	\$ 67,330.76	\$ 64,840.60

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- *Section 1* of the *Drop-safe Log* was not always completed by the sponsors with all the required information. Missing information included the dates of collections and the dates when the collections were put into the drop-safe.
- *Section 2* on two pages of the *Drop-safe Log* (page #50-05634 and #50-05635) did not have the dates when the collections were removed from the safe.
- *Section 3* of *Drop-safe Log* was not always completed with all the required information. The staff verifier did not record the receipt number for seven collections on five pages (#s 50-05644, 50-05855, 14-49974, 14-49973, and 50-05629). In addition, a total of 12 entries on 10 pages (#s 50-05852, 50-05650, 50-05645, 50-05644, 50-05855, 14-49974, 14-49973, 14-49960, 50-05629, and 14-49929) were not signed by the staff verifier after the deposit information were entered in the school's accounting system.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer's removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur. Items listed in the findings have been reviewed with all staff involved. In addition, teachers and account sponsors are required to take training on the monies collection process in eLearning. Also, at beginning of year, monies collected procedures are reviewed.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records revealed that the *Fundraising Application/Recap Forms* for the Yearbook Sales (Account #7-0100.03) was not approved by the Principal until 14 working days after the fundraising activities had begun.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically, to ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.

### Management's Response

*Concur. This fundraiser finding will be reviewed with the fundraiser sponsor. Also, additional training will be added at the beginning of the year to remind fundraiser sponsors not to start fundraising activities until the fundraiser is approved. This will be in addition to the eLearning training.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents revealed that the *Document Custodian Assignment Register* (PBSD 1663) was not maintained.

### Recommendation

To ensure proper fiscal accountabilities and as required by *Chapter 27 of the Internal Accounts Manual*, designated staff should be assigned document custodian for each prenumbered form; and the assignment should be recorded on the *Document Custodian Assignment Register* (PBSD 1663) and approved by the Principal.

### Management's Response

*Concur. The school has one document custodian for all the documents. The document custodian performed the required prenumbered inventory for all documents but the assignment register was no completed. Assignment register will be completed for SY18.*

## LEASING OF SCHOOL FACILITIES

### **Finding**

The review of facility leasing found that the leasing charges for three leases (#1003, #1005, and #1030) were not collected prior to the use of facilities. Delays ranged from one to five days.

### **Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically, ***School Board Policy 7.18***, requires that leasing charges “*are to be paid by check or credit card (no cash) at least forty-eight (48) hours prior to the use of a facility.*”

### ***Management’s Response***

*Concur. Lease #1003 and #1005 cover 30 events each. Lease #1030 covers 8 events. 1 event for Lease #1003, 5 events for lease #1005 and one event for Lease #1030 were not paid within 48 hours of the event. During SY17 there were 227 paid events on campus. All events were paid for. For SY18 we will encourage leases to be paid by credit card.*

**Lincoln Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1160 Avenue "N"  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2017: Alicia Porter  
During Audit: Alicia Porter

Treasurer:  
Fiscal Year 2017: JoAnn Berry  
During Audit: JoAnn Berry

Afterschool Site Director:  
Fiscal Year 2017: Kenneth Anders  
During Audit: Joselina McKenzie

**Cash and Investments**

Checking	\$ 29,677.18
Investments	
	\$ 29,677.18

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	466.55	0.00	0.00	287.44	0.00	753.99
Classes	140.75	8,255.79	6,242.45	2,017.31	2,017.31	2,154.09
Clubs	287.05	3,814.32	2,073.37	0.00	287.44	1,740.56
Departments	2,422.51	4,357.53	4,476.26	0.00	510.00	1,793.78
Trusts	6,880.70	100,119.53	86,007.15	1,395.00	2,126.84	20,261.24
General	( 138.02)	2,738.42	868.72	1,947.79	705.95	2,973.52
	\$ 10,059.54	\$ 119,285.59	\$ 99,667.95	\$ 5,647.54	\$ 5,647.54	\$ 29,677.18

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- *Section 1* of the *Drop-safe Log* was not always completed by the sponsors with all the required information. Missing information included the dates of collections and the dates when the collections were put into the drop-safe.
- Monies collected were not always deposited into the drop-safe in a timely manner. For example, \$6,248.65 collected through 10 MCRs (#433-2, #436-13, #436-19, #437-5, #437-7, #438-6, #461-4, #476-4, #487-1, and #488-5) were retained by the sponsors for one to four working days before the monies were put into the safe for deposit.
- MCRs were not always completed with all the required information. For example, the number for a \$4,275 check, was not indicated on the related MCR #474-1.
- During the audit fieldwork, we noted that incoming mails were sorted and distributed by someone other than the school treasurer. However, those mails addressed to the treasurer were given to her for opening and processing.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- *DOE Rules* and *District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted liability and result in potential irregularities.
- To ensure proper fiscal accountability, MCRs should be completed with the needed information, including the account number, remitter's signature, payer's name, dollar amount, and check number when appropriate.

- To ensure fiscal accountabilities through segregation of duties, incoming mails should not be received and opened by the school treasurer. Payments, if any, received in the mails should be recorded on a *Monies Collected Report* (MCR) by the staff who opens the mail, prior to providing the collections to the treasurer for deposit.

***Management's Response***

*Concur. We will implement all recommendations regarding the drop safe log and MCRs being fully completed. Training will occur with all staff to reiterate.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of sample fundraiser records revealed that:

- The Safety Patrol Pizza Cards Sales (Account #6-4000.04) and Soaring Eagles Yearbook Sales (Account #4-0100.00) did not have the required *Sales Item Inventory Report*.
- The financials for the Soaring Eagles Yearbook were recorded in the main account (Account #4-0100.00), instead of a decimalized account for sales.

**Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and the related District guidelines. Specifically,

- The *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing.
- To assist the school in evaluating and monitoring the performance of individual fundraisers, a separate decimalized account should be established for each fundraiser. The fundraiser account should include all the needed and accurate financial information.

***Management's Response***

*Concur. We will implement all recommendations regarding fundraisers. The bookkeeper will establish a separate decimalized account and the Sales Inventory report will be completed. Training will occur with all staff.*

## DOCUMENTATION OF DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card records found that:

- Disbursement #8588 (for \$536.29) included \$15.52 in sales tax reimbursement to an employee for tax-exempt qualified purchases. Moreover, \$32.10 was supported by credit card receipts that did not have the details of the items purchased.
- Supporting documentation was not always defaced (stamped “PAID”) after payment. For example, the supporting documents for three sample disbursements (#s 8592, #8600, and #8601, totaling \$10,638.24) were not defaced after payments.

### Recommendation

Disbursements should be administered in accordance with *Internal Accounts Manual* and related District guidelines. Specifically,

- The School District is sales tax-exempt governmental entity, and should not pay sales tax for qualified purchases.
- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- To avoid potential duplicated payments, supporting documentation should be defaced (stamped “PAID”) after payment was made.

### Management’s Response

*Concur. We will implement all recommendations and the treasurer will receive training regarding Internal Accounts Manual.*

**Loxahatchee Groves Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 16020 Okeechobee Boulevard  
Loxahatchee, FL 33470

Principal:  
Fiscal Year 2017: Richard Myerson  
During Audit: Richard Myerson

Treasurer:  
Fiscal Year 2017: Iraida Areyzaga  
During Audit: Tracey Bickford

Afterschool Site Director:  
Fiscal Year 2017: Daniel Hudspeth  
During Audit: Daniel Hudspeth

**Cash and Investments**

Checking	\$ 72,306.21
Investments	
	\$ 72,306.21

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	50.00	1,896.29	1,978.20	53.23	3.23	18.09
Classes	1,654.91	34,253.67	35,530.02	4,951.84	4,158.78	1,171.62
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	3,300.26	10,755.17	11,147.59	2,365.50	1,949.79	3,323.55
Trusts	43,812.25	273,083.95	253,601.65	34,062.34	37,497.29	59,859.60
General	8,171.52	16,446.38	18,860.73	9,432.42	7,256.24	7,933.35
	\$ 56,988.94	\$ 336,435.46	\$ 321,118.19	\$ 50,865.33	\$ 50,865.33	\$ 72,306.21

Loxahatchee Groves Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Manatee Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 7001 Charleston Shores Boulevard  
 Lake Worth, FL 33467

Principal:  
 Fiscal Year 2017: Mary Churchill-Jones  
 During Audit: Mary Churchill-Jones

Treasurer:  
 Fiscal Year 2017: Lenita Phillips  
 During Audit: Lenita Phillips

Afterschool Site Director:  
 Fiscal Year 2017: Patricia Latona  
 During Audit: Patricia Latona

**Cash and Investments**

Checking	\$ 61,328.65
Investments	
	\$ 61,328.65

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,182.41	1,478.00	1,990.35	148.87	155.49	663.44
Classes	6,990.90	76,178.75	75,570.61	11,394.89	13,117.28	5,876.65
Clubs	405.70	300.00	407.21	0.00	0.00	298.49
Departments	6,217.04	17,524.69	18,467.92	5,784.94	5,907.33	5,151.42
Trusts	40,695.95	1,127,928.27	1,128,081.86	17,806.44	18,011.70	40,337.10
General	6,352.74	20,297.83	19,705.68	20,660.56	18,603.90	9,001.55
	\$ 61,844.74	\$1,243,707.54	\$1,244,223.63	\$ 55,795.70	\$ 55,795.70	\$ 61,328.65

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of records for sample disbursements and P-Card purchases found that:

- Disbursement #20450 (\$1,599.11) was for payment of a purchase made on April 7, 2017. However, the related *Purchase Order* was not approved by the Principal until April 26, 2017.
- A July 14, 2016, P-Card transaction of \$1,860 was supported by a credit card receipt instead of an itemized receipt or invoice.

### Recommendation

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines:

- To ensure purchases are appropriate, and that funding is available, they should be preapproved by the Principal.
- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expense was appropriate.

### Management's Response

*Concur. All purchase orders will be signed by principal before proceeding with payment. Also, all PCard purchases will be supported with itemized invoices/receipts.*

**Marsh Pointe Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 12649 Ibiza Drive  
Palm Beach Gardens, FL 33418

Principal:  
Fiscal Year 2017: Maureen Werner  
During Audit: Maureen Werner

Treasurer:  
Fiscal Year 2017: Christine Grusman  
During Audit: Christine Grusman

Afterschool Site Director:  
Fiscal Year 2017: Josephine Costa  
During Audit: Josephine Costa

**Cash and Investments**

Checking	\$ 190,293.15
Investments	
	\$ 190,293.15

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	6,376.38	5,986.30	4,552.64	4,190.23	4,636.19	7,364.08
Classes	7,670.41	66,716.44	63,175.75	15,449.90	15,051.34	11,609.66
Clubs	11,693.19	11,608.23	8,428.43	2,873.97	4,718.46	13,028.50
Departments	23,558.45	47,350.01	40,734.46	28,552.81	23,557.14	35,169.67
Trusts	123,904.99	745,159.17	741,325.21	125,749.26	133,883.31	119,604.90
General	669.53	15,779.24	17,962.70	5,564.37	534.10	3,516.34
	\$ 173,872.95	\$ 892,599.39	\$ 876,179.19	\$ 182,380.54	\$ 182,380.54	\$ 190,293.15

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of records for sample disbursements and P-Card purchases found that an August 2016, P-Card transaction (for \$537.26) was for the purchase of outdoor furniture. However, prior written authorization from the Facilities Management Coordinator was not obtained.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically, outdoor furniture requires prior written (e-mailed) approval by the Facilities Management Coordinator.

### **Management's Response**

*Concur. The benches and tables were purchased by the "Green Team" for the Outdoor Classroom. The same furniture was supplied to us by an outside supporter of schools with gardens and outdoor classrooms. We should not have used the P-Card to purchase. We should have just used internal funds and reimbursement.*

## AFTER SCHOOL PROGRAM

### **Finding**

The parent/guardian for one student did not sign the *Afterschool Programs Registration Form*.

### **Recommendation**

The Afterschool Program should be administered in accordance with District's guidelines and the *Afterschool Programs Operational Manual*. Specifically, to protect the safety and welfare of students, the Afterschool Programs Registration Form for each student should be completed with all the needed information and signed by the parent/guardian.

### **Management's Response**

*Concur.*

## PRENUMBERED DOCUMENTS

### **Finding**

The review of controls in prenumbered documents found the school did not maintain the *Document Custodian Assignment Register*.

### **Recommendation**

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual* a document custodian should be assigned for all prenumbered documents and recorded on the *Document Custodian Assignment Register* (PBSD 1663).

### **Management's Response**

*Concur. We have no excuse or answer for this. We can only surmise that it slipped out of the pocket of the binder. We have now hole-punched the register and secured it in the binder.*

**Meadow Park Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 956 Florida Mango Road  
West Palm Beach, FL 33406

Principal:  
Fiscal Year 2017: Valerie Zuloaga-Haines  
During Audit: Valerie Zuloaga-Haines

Treasurer:  
Fiscal Year 2017: Maria Konietzko  
During Audit: Maria Konietzko

Afterschool Site Director:  
Fiscal Year 2017: Tammy Ditmars  
During Audit: Tammy Ditmars

**Cash and Investments**

Checking	\$ 77,073.02
Investments	
	\$ 77,073.02

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	132.94	855.00	964.83	96.18	58.00	61.29
Classes	4,539.75	24,848.47	29,480.15	3,371.13	2,005.39	1,273.81
Clubs	6,887.51	19,060.26	9,398.11	12,835.40	24,504.03	4,881.03
Departments	7,395.68	11,389.19	12,265.40	2,838.17	2,838.17	6,519.47
Trusts	39,155.40	335,520.50	335,472.10	29,193.58	18,512.49	49,884.89
General	17,193.89	11,072.50	13,397.48	4,447.13	4,863.51	14,452.53
	\$ 75,305.17	\$ 402,745.92	\$ 400,978.07	\$ 52,781.59	\$ 52,781.59	\$ 77,073.02

## LEASING OF SCHOOL FACILITIES

### **Finding**

The school did not maintain the required leasing documentation (hard-copy) for use of facilities by lessees. Three leasing arrangements were entered into the Tririga System. However, none of the leasing arrangements had the executed *Lease Agreements* with all the required signatures.

### **Recommendation**

Leasing of school facilities should be administered in accordance with *School Board Policy 7.18* and related District guidelines. To protect the best interests of the school and the School District, *Lease Agreements* should be properly executed for all lessees.

### ***Management's Response***

*Concur. Leases will be printed and signed by the party leasing the facility. We were not aware of this final step.*

**Melaleuca Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 5759 West Gun Club Road  
 West Palm Beach, FL 33415

Principal:  
 Fiscal Year 2017: Deborah Maupin  
 During Audit: Deborah Maupin

Treasurer:  
 Fiscal Year 2017: Lesia Mullet  
 During Audit: Lesia Mullet

Afterschool Site Director:  
 Fiscal Year 2017: Judith Wilson  
 During Audit: Judith Wilson

**Cash and Investments**

Checking	\$ 22,656.97
Investments	
	\$ 22,656.97

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	7.08	2,410.00	1,890.00	0.00	7.08	520.00
Classes	994.30	7,588.00	8,004.15	370.00	512.64	435.51
Clubs	2,557.78	3,164.00	3,256.90	2,543.00	2,559.00	2,448.88
Departments	2,660.91	10,127.93	8,274.29	2,622.29	2,622.29	4,514.55
Trusts	7,411.49	215,457.76	211,452.15	2,418.00	1,414.50	12,420.60
General	1,901.14	12,328.55	11,074.48	3,499.67	4,337.45	2,317.43
	\$ 15,532.70	\$ 251,076.24	\$ 243,951.97	\$ 11,452.96	\$ 11,452.96	\$ 22,656.97

Melaleuca Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Morikami Park Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 6201 Morikami Park Road  
 Delray Beach, FL 33484

Principal:  
 Fiscal Year 2017: Stacey Quinones  
 During Audit: Stacey Quinones

Treasurer:  
 Fiscal Year 2017: Debbie Balmaceda  
 During Audit: Debbie Balmaceda

Afterschool Site Director:  
 Fiscal Year 2017: Teri Pavlus  
 During Audit: Teri Pavlus

**Cash and Investments**

Checking	\$ 99,473.05
Investments	
	\$ 99,473.05

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	155.00	2,531.00	2,644.26	0.00	3.00	38.74
Classes	711.95	71,922.92	69,813.13	2,647.09	4,470.62	998.21
Clubs	669.35	165.00	160.00	0.00	0.00	674.35
Departments	1,963.04	35,739.18	30,497.27	8,049.75	8,093.95	7,160.75
Trusts	92,947.74	743,661.76	761,257.54	61,442.39	63,725.05	73,069.30
General	26,278.48	58,023.32	70,923.49	24,178.39	20,025.00	17,531.70
	\$ 122,725.56	\$ 912,043.18	\$ 935,295.69	\$ 96,317.62	\$ 96,317.62	\$ 99,473.05

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that

- *Section 3* for two pages (#s12-59416 and 12-59377) of the *Drop-Safe Log* were not signed by the staff verifier to confirm the treasurer's entering the deposit information into the Internal Funds Accounting System.
- MCRs were not always completed with all the required information. Missing information included the check numbers and the date for the collection.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- To ensure proper fiscal accountability, MCRs should be completed with the needed information, including the account number, remitter's signature, payer's name, dollar amount, and check number when appropriate.

### Management's Response

*Concur. Met with individuals involved and stated expectations and procedures to comply.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of records for school facility leasing found that leasing charges for six (#1003, #1026, #1029, #1040, #1045, and #1061) leases were not always collected prior to the use of facilities. Delays ranged from one to nine days.

**Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically, ***School Board Policy 7.18***, requires that leasing charges “*are to be paid by check or credit card (no cash) at least forty-eight (48) hours prior to the use of a facility.*”

***Management’s Response***

*Concur. Met with treasurer and discussed expectations that compliance is expected.*

**New Horizons Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 13900 Greenbriar Boulevard  
Wellington, FL 33414

Principal:  
Fiscal Year 2017: Elizabeth Cardozo  
During Audit: Elizabeth Cardozo

Treasurer:  
Fiscal Year 2017: Guadalupe Betancourt  
During Audit: Guadalupe Betancourt

Afterschool Site Director:  
Fiscal Year 2017: Tracyann Laing  
During Audit: Tracyann Laing

**Cash and Investments**

Checking	\$ 100,711.73
Investments	
	\$ 100,711.73

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	516.54	0.00	20.69	25.00	0.00	520.85
Classes	5,996.97	36,591.63	29,115.67	2,369.88	2,417.19	13,425.62
Clubs	16,254.72	15,313.42	2,017.50	980.28	23,870.42	6,660.50
Departments	5,166.90	20,881.53	20,852.84	11,506.97	5,160.65	11,541.91
Trusts	48,689.90	367,373.72	385,175.50	15,362.63	4,523.33	41,727.42
General	21,537.33	9,926.53	10,355.26	9,710.93	3,984.10	26,835.43
	\$ 98,162.36	\$ 450,086.83	\$ 447,537.46	\$ 39,955.69	\$ 39,955.69	\$ 100,711.73

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports (MCRs)* and money collection process at the school found that some MCRs were not always completed with all the required information. For example, four MCRs (#s 681-3, 681-9, 681-10, and 711-6) did not have the check numbers for checks collected.

### Recommendation

To ensure proper fiscal accountability, *MCRs* should be completed with the needed information, including the account number, remitter's signature, payer's name, dollar amount, and check number, etc.

### Management's Response

*Concur. Reteaching of staff to include all required information on Monies Collected Reports. Individual conferences with staff members as needed. Principal and treasurer will monitor MCRs closely.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of records for sample disbursements and P-Card purchases found that two disbursements (#11971 for \$1,326 and #12065 for \$2,871) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order Form*.

### Recommendation

Pursuant to the District's *Purchasing Manual and Internal Accounts Manual*, all Internal Funds purchases require (1) Principal's approval prior to the purchase; and (2) *Purchase Order* should be issued for purchase in excess of \$1,000.

### Management's Response

*Concur. Individual conferences with staff members making purchases over \$1,000 without approval of principal and reteaching all staff members.*

**North Grade Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 824 North "K" Street  
Lake Worth, FL 33460

Principal:  
Fiscal Year 2017: Nicole Patterson  
During Audit: Nicole Patterson

Treasurer:  
Fiscal Year 2017: Stephanie Dunlop  
During Audit: Stephanie Dunlop

Afterschool Site Director:  
Fiscal Year 2017: Ginger Evans  
During Audit: Ginger Evans

**Cash and Investments**

Checking	\$ 33,005.49
Investments	
	\$ 33,005.49

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,233.37	2,082.00	2,492.49	1,259.50	1,298.16	784.22
Classes	2,044.87	44,830.38	39,495.42	17,943.13	21,646.75	3,676.21
Clubs	671.18	260.00	234.49	0.00	2.00	694.69
Departments	1,034.95	12,303.70	12,440.81	1,764.95	1,837.45	825.34
Trusts	10,223.75	385,989.72	379,450.52	12,830.83	13,635.91	15,957.87
General	6,887.68	17,053.08	17,495.46	11,514.86	6,893.00	11,067.16
	\$ 22,095.80	\$ 462,518.88	\$ 451,609.19	\$ 45,313.27	\$ 45,313.27	\$ 33,005.49

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The General Yearbooks Sales (Account #7-0100.03) did not have the required *Fundraising Application/Recap Form*.
- The *Fundraising Application/Recap Forms* for the General T-Shirt Sales (Account #7-0100.01) was not approved by the Principal until 9 working days after the fundraising activities had begun.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items, if any, that were given-away free-of-charge, or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

### Management's Response

*Concur. Break yearbook sales/ads into two separate fundraisers. Permission was given / wrong date was placed.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of records for leasing of school facilities found that the review of school facility leasing records found that \$404.69 in utility fees collected from Four leases (#1001, #1002, #1003, and #1004) were inadvertently recorded in the Rental Income Account instead of the Utilities Facility Rental Account. As a result, the school under-transmitted \$404.69 in utility fees to the Central Office.

**Recommendation**

Leasing of school facilities should be administered in accordance with *School Board Policy 7.18* and related District guidelines. Specifically, leasing revenues should be allocated in accordance with the District's approved *Rate Schedule*. The District's portions of leasing fees should be transmitted to the Central Office accordingly.

***Management's Response***

*Concur. Leasing Coordinator is doing retraining and we are working on correcting the shortage to the District.*

**Northboro Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 400 40th Street  
West Palm Beach, FL 33407

Principal:  
Fiscal Year 2017: Gayle Harper  
During Audit: Gayle Harper

Treasurer:  
Fiscal Year 2017: Marie Desantis  
During Audit: Marie Desantis

Afterschool Site Director:  
Fiscal Year 2017: Chantelle Broome  
During Audit: Chantelle Broome

**Cash and Investments**

Checking	\$ 67,887.34
Investments	
	\$ 67,887.34

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,994.51	1,280.00	919.52	388.50	0.00	2,743.49
Classes	2,459.48	62,721.21	58,252.90	5,051.99	6,751.54	5,228.24
Clubs	42.76	0.00	0.00	0.00	0.00	42.76
Departments	7,157.36	13,607.76	12,702.60	4,894.00	4,117.00	8,839.52
Trusts	45,635.80	383,971.64	387,268.82	13,915.08	17,236.07	39,017.63
General	11,691.50	4,079.40	7,610.24	4,803.94	948.90	12,015.70
	\$ 68,981.41	\$ 465,660.01	\$ 466,754.08	\$ 29,053.51	\$ 29,053.51	\$ 67,887.34

Northboro Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Northmore Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 4111 North Terrace Drive  
West Palm Beach, FL 33407

Principal:  
Fiscal Year 2017: Vonda Daniels  
During Audit: Vonda Daniels

Treasurer:  
Fiscal Year 2017: Belinda Colebrook  
During Audit: Belinda Colebrook

Afterschool Site Director:  
Fiscal Year 2017: Lesley Gillins  
During Audit: Lesley Gillins

**Cash and Investments**

Checking	\$ 51,496.89
Investments	
	\$ 51,496.89

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	47.50	0.00	0.00	0.00	0.00	47.50
Classes	764.25	15,753.58	15,404.58	1,364.75	1,374.75	1,103.25
Clubs	94.82	0.00	0.00	0.00	0.00	94.82
Departments	810.72	2,460.03	3,243.04	1,360.72	682.76	705.67
Trusts	55,947.09	125,314.19	131,595.57	2,753.01	3,162.02	49,256.70
General	2,018.49	5,406.39	6,876.98	423.73	682.68	288.95
	\$ 59,682.87	\$ 148,934.19	\$ 157,120.17	\$ 5,902.21	\$ 5,902.21	\$ 51,496.89

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sample *Monies Collected Reports* (MCRs) found that:

- Two collections (totaling \$28) recorded on two pages of *Drop-safe Log* (#s 14-23064 and 14-23113) were crossed out without the sponsors' initials or explanation for deletion.
- *Section 2* on one page of the *Drop-safe Log* (#14-23077) was neither signed by the treasurer nor the independent staff verifier. Additionally, *Section 2* on page #14-23079 of the *Drop-safe Log* did not have the date when collections were removed from the safe.

### Recommendation

Money collections should be administered in accordance with *Internal Accounts Manual*, and District guidelines. Specifically, to ensure proper fiscal accountability,

- To ensure proper fiscal accountability, deposit information should be properly recorded on the *Drop-safe Log*. Reasons for deletions should be noted on the *Log*, signed, and acknowledged by the sponsors.
- Responsible staff should complete the *Drop-safe Log* with all the required information. Activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and an independent staff verifier should jointly complete *Section 2* of the *Log* to confirm that the deposits from the safe were removed by the treasurer for processing. Lastly, the verifier should also complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur. Additional training and feedback was given to the teachers concerning proper money collections procedures.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of documentation for sample fundraisers found that:

Northmore Elementary School  
Management Letter  
Year Ended June 30, 2017

- The sponsors for the following two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017: (1) Mother's Day Cake (Account #7-0100.08) and (2) Earbuds Sales (Account #5-0100.01).
- The Earbuds Sales (Account #5-50100.01) did not have the required *Fundraising Application/Recap Form* and *Sales Item Inventory Report*. In addition, the account incurred a \$677.96 deficit.
- The *Sales Item Inventory Report* for the Safety Patrol Candy sales (Account #6-4000.01) was not reviewed and approved by the Principal.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- *Sales Item Inventory Report* should be properly prepared and completed with accurate information for each fundraiser and be approved by the principal. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue.

### **Management's Response**

*Concur. Treasurer and Principal makes sure that everyone is trained, paperwork is double checked, and turned in in a timely manner.*

## **DOCUMENTATION FOR DISBURSMENTS**

### **Finding**

The review of records for sample disbursements and P-Card purchases found that a \$ 350 P-Card transaction was for payment to a consultant for DJ Services at the August 5, 2016, Fun Day. However, consultant services cannot be purchased using a District P-Card.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual*, Purchasing Card Procedures (*Purchasing Manual Chapter 24*), and related District guidelines. Specifically, P-Card should not be used for procurement of consultant services which is disallowed by the *Purchasing Manual*.

***Management's Response***

*Concur. Making sure the directors know that all paperwork must be completed prior to the event.*

***Additional Comments***

*This director was hired for the summer and completed the payment without approval.*

**Orchard View Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 4050 Old Germantown Road  
Delray Beach, FL 33445

Principal:  
Fiscal Year 2017: Lisa Lee  
During Audit: Lisa Lee

Treasurer:  
Fiscal Year 2017: Jenny Okoee  
During Audit: Jenny Okoee

Afterschool Site Director:  
Fiscal Year 2017: Fanny Lambis  
During Audit: Fanny Lambis

**Cash and Investments**

Checking	\$ 33,987.57
Investments	
	\$ 33,987.57

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	79.74	16.00	16.00	0.00	0.00	79.74
Classes	2,722.00	4,025.00	1,046.55	2,478.45	2,478.45	5,700.45
Clubs	3,117.84	0.00	2,917.08	0.00	0.00	200.76
Departments	3,170.99	8,007.94	7,495.39	461.00	461.00	3,683.54
Trusts	25,680.12	130,289.62	134,956.94	4,154.00	4,289.85	20,876.95
General	3,570.63	6,918.08	7,178.43	218.50	82.65	3,446.13
	\$ 38,341.32	\$ 149,256.64	\$ 153,610.39	\$ 7,311.95	\$ 7,311.95	\$ 33,987.57

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- The *Drop-safe Logs* were not always completed with the required information. Specifically,
  - *Section 2* of three collections (totaling \$2,333.98) on two pages of the *Log* (#s 14-50139 and 14-50150) did not have the dates when the collections were removed from the safe and the *Log* was only signed by the treasurer. There was no evidence that an independent verifier was present to verify the deposit information when the safe was opened.
  - *Section 3* for two pages of the *Log* (#s14-50144 and 14-50112) were not signed by a staff verifier to confirm the treasurer’s entering the deposit information into the Internal Funds Accounting System. Moreover, page #14-50112 did not have the receipt numbers.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education’s Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer’s removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school’s accounting system by entering the *Official Receipt* number on the *Log*.

### Management’s Response

*Concur. A staff meeting will be called to discuss the proper procedure of filling out the Drop-safe Log, verifying the money, and verifying the deposit information. In addition, a “proper” visual example will be given to staff and placed over the safe – including returning drops , if needed.*

## DOCUMENTATION OF DISBURSEMENTS

### Finding

Disbursement #11104 (for \$1,014) was a payment for a demonstrator and promotional items. However, the engagement of this vendor did not have the required *School District Consultant Agreement (PBSD 1420)*.

### **Recommendation**

To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) the consultant's background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement and Florida Statutes §1012.465 (Jessica Lunsford Act)*.

### **Management's Response**

*Concur. Staff will be notified that when any outside vendor comes to perform for students, even if the cost is free with sales of items, a consultant's agreement must be signed. The "Ned Show" (anti-bullying) consultant was an approved vendor with Palm Beach County.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of controls for prenumbered documents at the school found that the school did not maintain the *Prenumbered Document Inventory Register PBSD 0160* for *Drop-safe Logs*. Furthermore, the unused *Drop-safe Logs* were kept by the school treasurer instead of the designated Document Custodian of the *Drop-safe Logs*.

### **Recommendation**

To ensure proper fiscal accountabilities and as required by *Chapter 27 of the Internal Accounts Manual*, the document custodian should be someone who is not involved in the day-to-day use of the form. Each assigned document custodian shall use the *Prenumbered Document Inventory Register (PBSD 0160)* to confirm the periodic inventory of the prenumbered forms.

### **Management's Response**

*Concur. Principal will ensure that treasurer will no longer keep the unused Drop-safe logs in her office. They will be kept by the Document Custodian in a locked cabinet. The Document custodian will maintain the monthly register for Drop-safe Logs. Principal will sign off, to ensure, monthly.*

**Pahokee Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 560 East Main Place  
Pahokee, FL 33476

Principal:  
Fiscal Year 2017: Karen Abrams  
During Audit: Karen Abrams

Treasurer:  
Fiscal Year 2017: Leontye Mann  
During Audit: Leontye Mann

**Cash and Investments**

Checking	\$ 16,293.70
Investments	
	\$ 16,293.70

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Classes	13.00	7,413.00	6,055.85	3,677.25	3,599.25	1,448.15
Clubs	2,505.27	18,255.65	17,981.49	1,248.45	1,248.45	2,779.43
Departments	254.74	5,101.01	4,904.53	0.00	0.00	451.22
Trusts	5,158.07	73,981.97	74,568.69	6,611.29	6,611.29	4,571.35
General	2,460.65	17,374.73	12,713.83	8,365.26	8,443.26	7,043.55
	\$ 10,391.73	\$ 122,126.36	\$ 116,224.39	\$ 19,902.25	\$ 19,902.25	\$ 16,293.70

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sample *Monies Collected Reports* (MCRs) found that:

- *Section 3* on five pages (#s 14-45546, 14-45549, 14-45563, 14-45566 and 14-45569) of the *Drop-safe Log* was completed and initialed by the school treasurer instead of an independent staff verifier. Moreover, the staff verifier did not sign *Section 3* on four pages (#s 14-45531 and 14-45574 through 14-45576) of the *Drop-safe Log*. Consequently, deposit information into the school's accounting system was not confirmed.
- Some sponsors did not always record the deposit information on the *Drop-safe Log* before dropping off the monies into the safe. For example two collections, (#475-5 for \$2,500 and #420-36 for \$333, totaling \$2,833) were not recorded on the *Log*. Also, a check for \$2,500 was not identified as a check on the related MCR.
- Monies were not always deposited into the bank in a timely manner. For example, \$969.80 collected through 18 MCRs were not processed by the treasurer until six to 10 days after the monies were put into the drop-safe.
- The school treasurer was performing incompatible duties. Specifically, during the audit (on December 12, 2017), we observed the school treasurer was attaching *Official Receipts* to sponsors' (yellow) copies of the MCRs. Apparently, some activity sponsors should but did not retain the yellow copies of the MCRs when putting the monies and MCRs in the drop-safe for deposit. Moreover, the treasurer did not return all *Official Receipts* to the originating sponsors.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the monies collected into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system by entering the *Official Receipt* number on the *Log*.
- *DOE Rules* and *District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the

collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted exposure and result in potential irregularities.

- To safeguard school assets through proper segregation of duties, and as required by the *Sponsor's Checklist of Responsibilities* in the ***Internal Accounts Manual, Chapter 7***, Teacher/sponsors should “compare the yellow copy of the MCR against the *official receipt* to confirm that funds were properly credited to the school’s accounting records.”

### ***Management's Response***

*Concur. Drop safe log will be reviewed monthly. Money will be deposited weekly and verified by Administration. Receipts will be printed and placed in the teacher box and verified by Administration. All duties and responsibilities were re viewed with the responsible parties.*

## **DOCUMENTATION FOR FUNDRAISERS**

### **Finding**

Fundraising documentation (*Fundraising Application/Recap Form* and *Sales Item Inventory Report*) were not prepared and retained for two fundraisers: (1) Holiday Shop (Account #7-0100.02) and (2) School Memory Book (Account #7-0100.06). Moreover, the sponsor for both fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017.

### **Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. Specifically,

- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the actual sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items, if any, that were given-away or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.
- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.

### ***Management's Response***

*Concur. All fundraiser sponsors are required to attach the certificate to the application before the activity starts. The Yearbooks came in in July – towards the end, and were still being sold. Fundraiser was not complete.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

The review of records for sample disbursements and P-Card purchases found that:

- Three disbursements totaling \$8,892.16 (#10777 for \$127.16; #10806 for \$125; and #10837 for \$8,750) did not have any supporting documentation for the expenses.
- Two disbursements (#10853 for \$303.60 and #10892 for \$1,170.75) were inadequately supported by account statements instead of itemized receipts or invoices.
- Disbursement #10846 (for \$200) was for the purchase of merchandise from a company owned by the school treasurer.
- The school did not always process payments for purchases in a timely manner. For example, the invoices for 15 purchases, totaling \$1,764.04, occurred during May 2016 through December 2017, were not processed for payment (Disbursement #10852) until January 2017 (two to eight months later). Also, six purchases, totaling \$782.40, occurred during January through March 2017, were not processed for payment (Disbursement #10892) until May 2017 (one to four months later).
- Supporting documentation, such as invoices/receipts, were not defaced (stamped “PAID”) after payment in order to prevent duplicate payments.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual*, *Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- Expenditures should be adequately supported by itemized invoices/receipts. The issuance of a school check should be supported by the Principal's approved *Check Requisition*. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.

- To ensure that disbursements to students for rewards are adequately documented, they should be supported by itemized lists of recipients with student signatures indicating receipt of rewards.
- Pursuant to ***School Board Policy 3.02(5)(e)***, “*We will not make decisions or use our position for personal benefit...*” To avoid conflicts of interest, the school should comply with ***School Board Policy 3.02*** for all purchases.
- To ensure accurate financial reporting and compliance with ***Florida Prompt Payment Act***, the school should timely process payments for all invoices.
- To avoid duplicate payments, supporting documentation should be defaced (stamped “PAID”) after payment.

***Management’s Response***

*Concur. Bookkeeper will stamp paid on all invoices after paying them.*

**PRENUMBERED DOCUMENTS**

**Finding**

The school did not maintain the Prenumbered Document Inventory Register (PBSD 0160) for *Drop-safe Logs* and *School Checks*.

**Recommendation**

The Document Custodian should account for each prenumbered document, including *School Checks*, through the use of the *Prenumbered Document Inventory Register* (PBSD 0160) to confirm the periodic inventory check of the forms.

***Management’s Response***

*Concur. Monthly checks for all custodians verified by the Principal.*

**Palm Beach Gardens Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 10060 Riverside Drive  
Palm Beach Gardens, FL 33410

Principal:  
Fiscal Year 2017: Marie Caracuzzo  
During Audit: Marie Caracuzzo

Treasurer:  
Fiscal Year 2017: Barbara Amidon/Kimberly Haugen  
During Audit: Gulhan (Gina) Kilic

Afterschool Site Director:  
Fiscal Year 2017: Kimberly Sheehan  
During Audit: Kimberly Sheehan

**Cash and Investments**

Checking	\$ 45,586.41
Investments	
	\$ 45,586.41

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,955.31	0.00	0.00	0.00	0.00	1,955.31
Classes	2,714.17	27,957.09	24,496.65	5,550.19	8,988.80	2,736.00
Clubs	4,388.70	21,234.15	11,132.89	2,131.30	11,881.99	4,739.27
Departments	4,810.34	17,713.14	15,344.85	1,776.54	1,776.54	7,178.63
Trusts	24,972.36	661,022.08	664,552.91	15,449.08	4,798.67	32,091.94
General	( 265.28)	7,940.39	13,328.74	4,218.41	1,679.52	( 3,114.74)
	\$ 38,575.60	\$ 735,866.85	\$ 728,856.04	\$ 29,125.52	\$ 29,125.52	\$ 45,586.41

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation found that:

- The sponsor of the Yearbook Sales (Account #7-0100.02) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017. Additionally, the *Sales Item Inventory Report (SIIR)* was not completed with accurate information. For example,
  - The sponsor indicated an ending inventory of 59 yearbooks on the *SIIR*. However, a physical inventory performed by the auditor located 45 books.
  - Yearbooks were sold at different prices during the fundraiser. However, number of Yearbooks sold and their related selling prices were not reported on the *SIIR*.
  - The *SIIR* was not reviewed and approved by the principal.

Due to the lack of reliable information, we were unable to determine whether all revenues were accounted for.

- The Safety Patrol – Coupon Book Fundraiser (Account #4-4300.02) did not have the required *Sales Item Inventory Report*. A total of \$11,730 in sales revenue was deposited into the Internal Funds during August 17, 2016, through January 19, 2017. Based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of \$12,500. As a result \$770 (\$12,500 - \$11,730) in estimated revenue was unaccounted for.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- The *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the ending inventory, if any.
- Discrepancy between the estimated revenue and actual receipt should be investigated and resolved accordingly.

### ***Management's Response***

*All 59 books were accounted for. I have trained our yearbook sponsor on procedures moving forward. Safety patrol sponsors will be trained on inventory procedures.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

The review of sample disbursements and P-Card records found that:

- Disbursement #7675 (for \$500) was for payment to a consultant for providing sound production for a talent show. However, the expenditure was not supported with a *School District Consultant Agreement (PBSD 1420)*.
- Disbursement #7909 (for \$1,125) exceeded the \$1,000 *Purchase Order* threshold. However, the *Purchase Order* was not prepared.

### **Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual* and related District guidelines. Specifically,

- To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) the consultant's background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465 (Jessica Lunsford Act)*.
- A *Purchase Order* approved by the Principal should be issued for each purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase.

### ***Management's Response***

*Concur. The music teacher has been notified and re-trained on the Purchase Order procedures and an agreement will be approved.*

## PRENUMBERED DOCUMENTS

### **Finding**

The review of controls in prenumbered documents found that the document custodian did not perform the monthly inventory-check for the *Drop-safe Logs* and the monthly inventory check for the *School Checks* was incomplete.

### **Recommendation**

To ensure proper fiscal controls and accountabilities, and as required by *Chapter 27 of the Internal Accounts Manual*, to ensure all *Drop-safe Logs* are properly accounted, the designated document custodian for *School Checks* and *Drop-safe Logs* should use the *Prenumbered Document Inventory Register* (PBSD 0160) to account for the usage and monthly inventory-check of these documents.

### **Management's Response**

*Concur. Drop safe logs and school checks are now checked monthly by me, the school Principal.*

**Palm Beach Public School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 239 Coconut Road  
Palm Beach, FL 33480

Principal:  
Fiscal Year 2017: Christie Schwab  
During Audit: Christie Schwab

Treasurer:  
Fiscal Year 2017: Angie Brown  
During Audit: Angie Brown

Afterschool Site Director:  
Fiscal Year 2017: Heather Stonelake  
During Audit: Heather Stonelake

**Cash and Investments**

Checking	\$ 71,932.03
Investments	
	\$ 71,932.03

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	250.00	482.74	677.25	367.24	77.27
Classes	1,953.50	34,112.24	35,949.89	5,848.17	4,149.81	1,814.21
Clubs	228.07	765.00	516.06	0.00	0.00	477.01
Departments	2,242.06	26,821.50	5,966.55	600.00	20,810.00	2,887.01
Trusts	23,167.09	275,817.08	268,852.68	31,322.35	11,226.02	50,227.82
General	26,759.69	31,746.00	40,162.28	6,112.70	8,007.40	16,448.71
	\$ 54,350.41	\$ 369,511.82	\$ 351,930.20	\$ 44,560.47	\$ 44,560.47	\$ 71,932.03

Palm Beach Public School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Palm Springs Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 101 Davis Road  
Palm Springs, FL 33461

Principal:  
Fiscal Year 2017: Dawn Lewis  
During Audit: Dawn Lewis

Treasurer:  
Fiscal Year 2017: Nancy Ruyle  
During Audit: Nancy Ruyle

Afterschool Site Director:  
Fiscal Year 2017: Kathy Anderson  
During Audit: Kathy Anderson

**Cash and Investments**

Checking	\$ 20,619.57
Investments	
	\$ 20,619.57

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	337.37	16.75	286.21	16.75	16.75	67.91
Classes	1,803.51	17,381.50	16,116.06	143.00	143.00	3,068.95
Clubs	3,234.87	2,548.57	1,098.21	1,420.36	1,420.36	4,685.23
Departments	3,753.21	4,821.88	7,847.26	2,342.31	2,342.31	727.83
Trusts	5,539.63	166,197.05	166,905.74	25.00	25.00	4,830.94
General	1,057.41	32,755.66	26,574.36	13,724.96	13,724.96	7,238.71
	\$ 15,726.00	\$ 223,721.41	\$ 218,827.84	\$ 17,672.38	\$ 17,672.38	\$ 20,619.57

Palm Springs Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Palmetto Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 5801 Parker Avenue  
 West Palm Beach, FL 33405

Principal:  
 Fiscal Year 2017: Gladys Harris  
 During Audit: Gladys Harris

Treasurer:  
 Fiscal Year 2017: Rhonda Diamond Ninfo  
 During Audit: Rhonda Diamond Ninfo

Afterschool Site Director:  
 Fiscal Year 2017: Courtney Caramanna  
 During Audit: Courtney Caramanna

**Cash and Investments**

Checking	\$ 15,717.55
Investments	
	\$ 15,717.55

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	243.00	2,220.25	2,053.68	141.00	141.00	409.57
Clubs	7,553.09	57,715.37	56,829.13	26,872.73	26,857.73	8,454.33
Departments	2,431.41	2,206.05	4,412.24	91.88	91.88	225.22
Trusts	2,733.63	143,794.04	142,876.52	661.10	661.10	3,651.15
General	( 453.55)	9,826.87	6,381.04	2,580.35	2,595.35	2,977.28
	\$ 12,507.58	\$ 215,762.58	\$ 212,552.61	\$ 30,347.06	\$ 30,347.06	\$ 15,717.55

## DEPOSIT OF MONIES

### Finding

The review of money collection process and sample *Monies Collected Reports* (MCRs) at the school found that:

- Monies collected were not always deposited into the drop-safe in a timely manner. For example, \$37 collected through MCR #578-17 was retained by the sponsor for seven working days before the money was put into the drop-safe for deposit.
- During the audit, we were informed that sometimes the treasurer sorted incoming mails. Consequently, those mails addressed to the treasurer were opened by her for processing.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically

- To ensure proper fiscal accountability, written records should be documented which was acknowledged by the sponsors when collections are returned to sponsors for clarification.
- *DOE Rules* and *District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted exposure and result in potential irregularities.
- To ensure proper segregation of duties, incoming mails should be received and opened by different staff members. Payments, if any, received in the mails should be recorded on a *Monies Collected Report* (MCR) by the staff who opens the mail, prior to depositing the payments into the drop-safe.

### Management's Response

*Concur. Discussed with stakeholders proper procedures and corrections are being implemented.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

Fundraising documentation was not prepared and retained for the Media Book Fair (Account #5-1700.01). Additionally, the sponsor of this fundraiser did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017.

### Recommendation

Fundraisers should be managed in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- To ensure staff is aware of and complying with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activity.

### Management's Response

*Concur. Discussed with media specialist proper procedures of fundraiser training and documentation.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchases found that:

- Four transactions (totaling \$2,825.39) did not have adequate supporting documentation.
  - A P-Card transaction (for \$799.99) on September 13, 2016, was supported by a Transaction Receipt that did not have the details of the items purchased
  - A P-Card transaction (for \$394.50) on May 5, 2017, was supported by a Group Trip Confirmation Invoice with an estimated amount of \$436 but did not include the receipt for final payment.

- A P-Card transaction (for \$525) on June 19, 2017, was supported by an invoice for \$500, without an explanation of the difference.
- Disbursement #11383 (for \$1,105.90) was supported only by an approved Purchase Order but did not have the required invoice for payment and the receipt.
- Disbursement #11307 (for \$400) was for DJ Services at an Afterschool Program Assembly Show. However, the related *School District Consultant Agreement (PBSD 1420)* was not approved by the Principal and did not have the date of the consultant's signature.
- Disbursement #11374 (for \$557.02) was for an Afterschool Program talent show costume design service. However, the disbursement was supported by a contract signed by the sponsor instead of the principal.

### **Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and the related District guidelines. Specifically,

- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- To protect the best interest of the school, *School District Consultant Agreements* should be executed with the needed information and signatures prior to the consultant providing services.
- All contracts should be approved by the Principal as required by *School Board Policy 6.14(4)*, which states “*the School Board has delegated limited authority to ... School Principals relating to the purchase of commodities and contractual services ...*” and “*No person, unless specifically authorized to purchase commodities or contractual services under School Board policies, may make any purchase or enter into any contract involving the use of school or School District funds.*”

### **Management's Response**

*Concur. Discussed with afterschool program director guidelines.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that the school did not maintain the following records:

- *Document Custodian Assignment Register (PBSD 1663).*
- *Prenumbered Document Inventory Register (PBSD 0160) for School Checks.*

### Recommendation

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*,

- A designated document custodian should be assigned for each prenumbered form; and the assignment should be recorded on the *Document Custodian Assignment Register (PBSD 1663)* accordingly.
- To ensure all prenumbered documents are properly accounted for, the document custodian should complete the monthly inventory of the *Drop-safe Logs* and *School Checks* through the *Prenumbered Document Inventory Register (PBSD 0160)*.

### Management's Response

*Concur. A designated custodian has been assigned to manage these tasks – i.e., Drop-safe Logs and School Checks.*

**Panther Run Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 10775 Lake Worth Road  
Lake Worth, FL 33467

Principal:  
Fiscal Year 2017: Pamela Strachan/Edilia De La Vega  
During Audit: Edilia De La Vega

Treasurer:  
Fiscal Year 2017: Amy Campbell  
During Audit: Mirtha Walsh

Afterschool Site Director:  
Fiscal Year 2017: Matthew Childs  
During Audit: Matthew Childs

**Cash and Investments**

Checking	\$ 94,284.77
Investments	
	\$ 94,284.77

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	467.12	1,345.75	1,346.61	193.80	273.80	386.26
Classes	2,787.16	52,746.13	52,887.48	4,943.01	4,164.90	3,423.92
Clubs	198.67	346.05	376.45	0.00	0.00	168.27
Departments	6,978.15	13,744.75	10,417.25	5,979.20	6,022.20	10,262.65
Trusts	30,226.36	655,039.86	635,532.07	9,299.45	7,693.46	51,340.14
General	20,664.77	43,085.38	32,785.52	16,834.83	19,095.93	28,703.53
	\$ 61,322.23	\$ 766,307.92	\$ 733,345.38	\$ 37,250.29	\$ 37,250.29	\$ 94,284.77

Panther Run Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Pierce Hammock Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 14255 Hamlin Boulevard  
Loxahatchee, FL 33470

Principal:  
Fiscal Year 2017: Ariel Alejo  
During Audit: Ariel Alejo

Treasurer:  
Fiscal Year 2017: Ruth Simioni  
During Audit: Ruth Simioni

Afterschool Site Director:  
Fiscal Year 2017: Patricia Almaguer  
During Audit: Patricia Almaguer

**Cash and Investments**

Checking	\$ 44,211.68
Investments	
	\$ 44,211.68

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	2,615.17	1,922.00	1,699.02	4,063.32	4,063.32	2,838.15
Classes	4,512.64	41,088.68	43,744.81	7,037.05	4,705.32	4,188.24
Clubs	1,677.10	127.70	270.74	111.00	171.89	1,473.17
Departments	3,770.37	13,139.18	14,151.66	2,567.36	4,692.78	632.47
Trusts	15,365.51	380,814.82	375,909.96	11,931.06	12,081.66	20,119.77
General	19,797.11	32,827.68	37,670.09	15,306.00	15,300.82	14,959.88
	\$ 47,737.90	\$ 469,920.06	\$ 473,446.28	\$ 41,015.79	\$ 41,015.79	\$ 44,211.68

## DEPOSIT OF MONIES

### Finding

The staff verifier did not sign *Section 3* of five pages of the related *Drop-safe Log* (page #s 14-41084, 14-41091, 50-03669, 50-02696, and 50-03698). Consequently, there was no confirmation of deposit information by the treasurer into the system.

### Recommendation

To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO*, the treasurer and an independent staff should jointly verify the contents of the safe compared to *Section 2* of the *Log*. This is to confirm that the deposits from the safe were removed by the treasurer for processing. The staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur. The normal procedure is dual control, unfortunately we neglected to sign the log. Proper procedures will be utilized going forward.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsor of the Yearbook fundraiser (Account #7-0100.02) did not complete the required eLearning Fundraiser Training Course.
- The World's Finest Chocolate Bars Sales (Account #6-4000.04) did not have the required *Sales Item Inventory Report*.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure staff is familiar with and comply with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.

- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. This noncompliance will be forwarded to the Office of Professional Standards for appropriate action. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the Sales Item Inventory Report should be approved by the Principal to confirm the ending inventory, if any.

***Management's Response***

*Concur. All sales item inventory documents will be completed on all future fundraisers.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that the monthly inventory check for the *Drop-safe Log* was incomplete.

**Recommendation**

To ensure all *Drop-safe Logs* are properly accounted for and as required by ***Chapter 27 of the Internal Accounts Manual***, the designated document custodian for *Drop-safe Logs* should use the *Prenumbered Document Inventory Register* (PBSD 0160) to account for the usage and monthly inventory-check of these documents.

***Management's Response***

*Concur. Our document custodian has been trained on this process.*

**Pine Grove Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 400 SW 10th Street  
Delray Beach, FL 33444

Principal:  
Fiscal Year 2017: Joseph Peccia/Shautay King  
During Audit: Shauntay King

Treasurer:  
Fiscal Year 2017: Suhair Gali  
During Audit: Suhair Gali

**Cash and Investments**

Checking	\$ 18,832.60
Investments	
	\$ 18,832.60

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	511.45	206.43	365.14	0.00	0.00	352.74
Classes	1,908.92	3,665.25	2,642.95	982.02	2,023.40	1,889.84
Clubs	1,515.32	1,421.72	1,617.17	33.73	0.00	1,353.60
Departments	3,101.07	2,431.15	3,343.50	1,091.50	99.10	3,181.12
Trusts	8,559.09	29,191.29	27,736.89	5,958.12	6,092.87	9,878.74
General	1,502.74	1,099.00	575.18	150.00	0.00	2,176.56
	\$ 17,098.59	\$ 38,014.84	\$ 36,280.83	\$ 8,215.37	\$ 8,215.37	\$ 18,832.60

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of sample fundraiser documentation revealed that the *Sales Item Inventory Reports* for the Safety Patrol Chocolate Sales (Account #6-4001.11) and Coupon Books (Account #6-4001.02) were neither reviewed nor approved by the Principal. Similar noncompliance with fundraising procedures were noted for the prior year.

### **Recommendation**

The *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items, if any, that were given-away or missing. Discrepancy between the estimated revenue and actual receipt should be investigated and resolved accordingly. Repeated violation of District Rules by the same employees will be forwarded to Professional Standards for appropriate action.

### ***Management's Response***

*Concur. A discussion was held to ensure understanding that at the conclusion of a fundraiser, the report should be given to the principal to review and approve.*

**Pine Jog Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 6315 Summit Boulevard  
West Palm Beach, FL 33415

Principal:  
Fiscal Year 2017: Tarachell Thomas  
During Audit: Tarachell Thomas

Treasurer:  
Fiscal Year 2017: Diana Hernandez  
During Audit: Diana Hernandez

**Cash and Investments**

Checking	\$ 45,357.79
Investments	
	\$ 45,357.79

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	4,173.79	4,131.74	2,236.75	2,236.75	42.05
Classes	6,759.06	67,551.52	67,459.22	6,594.37	6,245.37	7,200.36
Clubs	9,392.73	3,288.06	5,733.93	497.38	766.01	6,678.23
Departments	5,299.54	6,065.78	5,994.12	1,708.99	1,613.81	5,466.38
Trusts	15,857.38	136,535.62	130,021.73	40,390.69	40,371.19	22,390.77
General	3,783.59	14,390.17	14,398.71	3,379.27	3,574.32	3,580.00
	\$ 41,092.30	\$ 232,004.94	\$ 227,739.45	\$ 54,807.45	\$ 54,807.45	\$ 45,357.79

Pine Jog Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Pioneer Park Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 39500 Pioneer Park Road  
Belle Glade, FL 33430

Principal:  
Fiscal Year 2017: Pamela Buckman  
During Audit: Pamela Buckman

Treasurer:  
Fiscal Year 2017: Stefanie Beckford  
During Audit: Vacant

**Cash and Investments**

Checking	\$ 11,876.02
Investments	
	\$ 11,876.02

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	103.50	1,631.00	1,354.25	139.00	76.00	443.25
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	333.84	1,318.70	1,457.45	140.75	140.75	195.09
Trusts	12,555.62	46,432.05	49,586.94	5,623.39	5,623.39	9,400.73
General	1,370.52	6,573.34	6,043.91	1,660.00	1,723.00	1,836.95
	\$ 14,363.48	\$ 55,955.09	\$ 58,442.55	\$ 7,563.14	\$ 7,563.14	\$ 11,876.02

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that monies collected were not always deposited into the drop-safe in a timely manner. For example, \$606 collected through four MCRs (#493-3, #498-2, #487-5, and #487-6) was retained by the sponsor for one working day before the money was put into the drop-safe for deposit.

### Recommendation

*DOE Rules* and *District Bulletin #P-14051-S/CFO* require that money collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the money for deposit could subject the sponsor to unwarranted liability and potential irregularities.

### Management's Response

*Concur. Reminder will be added to our monthly faculty meetings which occur the first Monday of every month. In addition, if the bookkeeper sees that this is occurring, she will inform the Principal so that action can be taken with the individual immediately.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records revealed that:

- The sponsors of the following two fundraisers did not complete the required eLearning Fundraiser Training Course prior to conducting the fundraiser activities:

<b>Fundraiser Activity</b>	<b>Account Number</b>	<b>Activity Began</b>	<b>Training Completed</b>
World's Finest Chocolate	#6-4000.02	9/22/2016	2/24/2017
Yearbook Photo-shoots / Portraits Sales	#7-0100.05	5/25/2017	Did not complete

- Fundraising documentation (*Fundraising Application/Recap Form* and *Sales Item Inventory Report*) was not prepared and retained for the Yearbook Photo-shoots / Portraits Sales (Account #7-0100.05)

- Sales revenue and expenditures for the World's Finest Chocolate Sales (Account #6-4000.02) were comingled with another fundraiser instead of a separate decimalized account.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the actual sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items, if any, that were given-away or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.
- To assist the school in evaluating and monitoring the performance of individual fundraisers, a separate decimalized account should be established for each fundraiser. The fundraiser account should include all the needed and accurate financial information.

### **Management's Response**

*Concur. In addition to the recommendations above, at the start of every school year, all grade chairs and club sponsors will be required to take the course in eLearning. If a request is submitted the Principal will ensure that the course has been taken prior to approving the FR request. A list will be maintained by the bookkeeper. All accounts have been separated by individual fundraiser.*

## **DOCUMENTATION OF DISBURSEMENTS**

### **Finding**

The review of sample disbursements and P-Card records found that:

- Disbursement #4854 (for \$245.25) was for payment for field trip admission tickets on May 3, 2017. However, this field trip payment did not have the required Temporary Duty Elsewhere (TDE) Forms for the staff.

- Supporting documentation, such as invoices/receipts, were not defaced (stamped “PAID”) after payment in order to prevent duplicate payments.

### **Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual* and related District guidelines. Specifically,

- Field trips should be administered in accordance with *School Board Policy 2.40*. Specifically, (1) field trips should be pre-approved by the Principal with adequate documentation, (2) in-county field trips should be approved by the Principal, and (3) out-of-county field trips should be approved by the Principal and Regional/Instructional Superintendent.
- To avoid duplicate payments, supporting documentation should be defaced (stamped “PAID”) after payment.

### **Management’s Response**

*Concur. A new paid stamp has been purchased. A new procedure has been established so that the TDE is required at the time of the FT request. All items will be printed and given to the BK at the same time.*

### **Additional comments**

*We appreciate the feedback and the opportunity to put procedures in place to ensure as a school we are following proper procedures and protocols. This is my 3<sup>rd</sup> BK in 4 years. We are working with district staff to ensure she receives proper training. Her start date was 2/20/2018.*

**Pleasant City Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 2222 Spruce Avenue  
West Palm Beach, FL 33407

Principal:  
Fiscal Year 2017: Valarie Jones  
During Audit: Valarie Jones

Treasurer:  
Fiscal Year 2017: Sylvia Buckhalter  
During Audit: Sylvia Buckhalter

**Cash and Investments**

Checking	\$ 9,362.08
Investments	
	\$ 9,362.08

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	777.58	8,806.25	6,658.38	3,283.19	3,283.19	2,925.45
Clubs	0.00	4,287.00	1,200.00	56.00	3,143.00	0.00
Departments	120.00	7.00	0.00	0.00	0.00	127.00
Trusts	3,761.69	19,539.40	19,633.29	3,087.00	237.17	6,517.63
General	200.08	89.90	735.15	237.17	0.00	( 208.00)
	\$ 4,859.35	\$ 32,729.55	\$ 28,226.82	\$ 6,663.36	\$ 6,663.36	\$ 9,362.08

## SEGREGATION OF DUTIES

### Finding

As required by **Bulletin #P 17-288 CFO, FY17 Internal Accounts Reports Timelines**, schools are to complete the *Exhibit #1B - FY17 Survey of School Bookkeeping Duties*, as part of the end-of-year Internal Accounts final reports. The *Survey* includes a summary of the treasurer's duty assigned, and signed by the treasurer and the principal.

According to Pleasant City Elementary's *FY17 Survey Form*, couple of the school treasurer's assigned duties were incompatible. Specifically,

- The treasurer was the document custodian of the *Drop-safe Log* and *School Checks*, and
- Incoming mails were to be sorted and delivered by the treasurer.

### Recommendation

To ensure fiscal accountability and prevent conflict of interest, segregation of duties should be enforced at the school. Specifically,

- The Document Custodian for the *Drop-safe Log* and *School Checks* should be someone not directly related to the use of those documents.
- Incoming mails should be received and opened by different staff members. Payments, if any, received in the postal mails should be recorded on a *Monies Collected Report (MCR)* by the staff who opens the mails, prior to placing the collection into the drop-safe.

### Management's Response

*Concur.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraising documentation revealed that the Safety Patrol Coupon Book Sale (Account #4-4300.09) should have generated a total sales revenue of \$2,400. However, only \$1,200 in sales revenues was deposited into the Internal Funds during the year. As a result, \$1,200 (\$2,400-\$1,200) was not accounted for. The sponsor said some students did not return the books or the funds generated from sales.

**Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically, significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

***Management's Response***

*Concur.*

**Plumosa School of the Arts  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 2501 Seacrest Boulevard  
Delray Beach, FL 33444

Principal:  
Fiscal Year 2017: Catherine Reynolds  
During Audit: Catherine Reynolds

Treasurer:  
Fiscal Year 2017: Margarita Molina  
During Audit: Margarita Molina

Afterschool Site Director:  
Fiscal Year 2017: Loidy Jiminez  
During Audit: Loidy Jiminez

**Cash and Investments**

Checking	\$ 44,300.27
Investments	
	\$ 44,300.27

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	8,069.75	34,225.95	35,669.75	2,438.27	1,028.27	8,035.95
Classes	3,359.76	580.00	716.09	0.00	0.00	3,223.67
Clubs	2,130.76	1,198.67	2,272.53	1,982.59	0.00	3,039.49
Departments	2,162.54	5,525.31	3,677.64	1,847.67	1,847.67	4,010.21
Trusts	23,137.59	293,098.73	289,767.20	5,456.72	5,456.72	26,469.12
General	3,179.73	17,280.24	17,545.55	1,848.04	5,240.63	( 478.17)
	\$ 42,040.13	\$ 351,908.90	\$ 349,648.76	\$ 13,573.29	\$ 13,573.29	\$ 44,300.27

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that the Snifty Pencil Case Sales (Account #6-4000.07) did not have the required *Sales Item Inventory Report*.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically, *Sales Item Inventory Report* should be properly prepared and completed with accurate information for each fundraiser and be approved by the principal. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue.

### Management's Response

*Concur. All fundraisers will complete an inventory and receive approval prior to beginning fundraiser.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchases found that:

- The *Purchase Order* for Disbursement #11062 (for \$2,480) was not approved by the Principal until 57 days after the invoice date.
- Disbursement #11192 (for \$744.72) was payment to a consultant for providing lunch for staff appreciation on May 12, 2017. However, the related *School District Consultant Agreement* did not have the dates of the principal and consultant's signatures.
- Four sampled P-Card Bank Statements did not have the dates of the principal's signature.

### Recommendation

Disbursements should be administered in accordance with *Internal Accounts Manual*, *Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and the related District guidelines. Specifically,

- A *Purchase Order* approved by the Principal should be issued for each purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase.

Plumosa School of the Arts  
Management Letter  
Year Ended June 30, 2017

- Prior to the consultant performing services at the school the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures.

***Management's Response***

*Concur.*

**Poinciana Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1203 North Seacrest Boulevard  
 Boynton Beach, FL 33435

Principal:  
 Fiscal Year 2017: Kathleen DePuma  
 During Audit: Kathleen DePuma

Treasurer:  
 Fiscal Year 2017: Jennifer Dietrick  
 During Audit: Jennifer Dietrick

Afterschool Site Director:  
 Fiscal Year 2017: Gloria Gibson  
 During Audit: Gloria Gibson

**Cash and Investments**

Checking	\$ 35,625.67
Investments	
	\$ 35,625.67

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,965.77	0.00	75.00	0.00	0.00	1,890.77
Classes	6,784.17	62,116.32	60,632.96	6,832.94	6,832.94	8,267.53
Clubs	3,263.75	12,275.80	13,589.28	2,443.00	2,443.00	1,950.27
Departments	5,744.36	13,338.33	12,207.79	1,484.25	1,484.25	6,874.90
Trusts	14,977.68	306,986.74	308,574.14	18,710.86	18,710.86	13,390.28
General	996.98	7,643.19	5,388.25	3,865.00	3,865.00	3,251.92
	\$ 33,732.71	\$ 402,360.38	\$ 400,467.42	\$ 33,336.05	\$ 33,336.05	\$ 35,625.67

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and the money collection process at the school found that money collected were not always deposited in a timely manner. For example, \$635.55 collected through two MCRs (#638-4 and #638-9) was retained by the sponsor for one to two working days before it was put into the drop-safe for deposit.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically, as required by *DOE Rules* and District *Bulletin #P-14051-S/CFO*, money collected should be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could increase the risk exposure to sponsors and result in potential irregularities

### Management's Response

*Concur. Corrective actions have been made. However, on 12-75260 monies collected form was filled out incorrect (more funds were in envelope than recorded). The correction was done in front of the bookkeeper at the time it was given back. 12-75452 Funds PTA deposited in wrong safe originally. 12-75440 Mistake was corrected same day – 2 MCRs were placed in 1 bag / should have been separate deposits.*

**Rolling Green Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 550 Miner Road  
 Boynton Beach, FL 33435

Principal:  
 Fiscal Year 2017: Allyson Manning  
 During Audit: Allyson Manning

Treasurer:  
 Fiscal Year 2017: Shi Reardon  
 During Audit: Shi Reardon

Afterschool Site Director:  
 Fiscal Year 2017: Sara Damar  
 During Audit: Sara Damar

**Cash and Investments**

Checking	\$ 40,228.17
Investments	
	\$ 40,228.17

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	755.00	180.29	995.00	875.00	694.71
Classes	4,284.19	13,518.59	14,395.65	2,029.71	1,916.71	3,520.13
Clubs	1,122.31	2,517.13	3,582.81	2,655.35	1,736.60	975.38
Departments	595.82	3,552.10	3,975.10	566.25	300.25	438.82
Trusts	33,502.25	207,624.01	208,182.14	32,530.45	34,074.20	31,400.37
General	3,386.71	5,276.58	5,590.53	946.02	820.02	3,198.76
	\$ 42,891.28	\$ 233,243.41	\$ 235,906.52	\$ 39,722.78	\$ 39,722.78	\$ 40,228.17

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- MCRs were not always completed with all the required information. Missing information included the numbers for four checks, which totaled \$1,896.92 on the related MCRs (#s 855-2, 855-3, 895-11, and 895-4).
- Monies collected were not always deposited in a timely manner. For example, \$5,214.27 collected through 16 MCRs (#s 855-23, 855-24, 855-28, 855-29, 895-2, 895-3, 895-4, 895-5, 895-6, 895-7, 895-8, 912-1, 912-2, 869-2, 880-8, and 886-4) were retained by the sponsors for one to two working days before they were deposited into the drop-safe.
- At the year-end, the Afterschool Program Site Director did not submit the yellow copies of the MCRs, along with the computerized receipts to the school secretary for record keeping. Instead, the yellow copies of the MCRs were kept with the Afterschool Program records.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Monies collected should be supported by MCRs with all the required information, including the account number, remitter's signature, payer's name, dollar amount, and check number when appropriate.
- *DOE Rules* and *Internal Accounts Manual* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could result in potential irregularities.
- As required by *Bulletin #P-14051-S/CFO* and *Internal Accounts Manual, Chapter 7's Record Retention Requirements*, at the year-end, "Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary..."

### Management's Response

*Concur. This was corrected at the beginning of FY18. We trained every teacher and staff member on the proper procedures and had the team complete the ELM trainings on 8/7/2017.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of sample fundraiser records revealed that:

- The sponsor for the General Music Recorders fundraiser (Account #2-3500.01) did not complete the required eLearning Fundraiser Training Course prior to the start of fundraising activity.
- The PTO Cookie Dough Fundraiser (Account #6-3100.02) did not have the required *Fundraising Application/Recap Form* and *Sales Item Inventory Report*.
- The *Sales Item Inventory Report* for the following two fundraisers were neither reviewed nor approved by the Principal: (1) General Music Recorders (Account #2-3500.01), and (2) Media – Rolling Green Magnets (Account #5-1700.03)
- The Grade 1 Field Day Shirts Sales (Account #3-3100.02) did not have the required *Sales Item Inventory Report*. A total of \$1,525.00 in sales revenue was deposited into the Internal Funds during the period March 1, 2017, through March 8, 2017. Based on the school’s purchasing records, this fundraiser should have generated a total estimated revenue of \$1,750.00. As a result, \$225 (\$1,750 - \$1,525, or 13%) in estimated revenue was unaccounted for.

Item	Quantity					Selling Price	Revenues
	Beginning Inventory	Purchases <sup>(1)</sup>	Items Given Away	Inventory On Hand	Units Sold		
T-Shirts	-	175	-	-	175	\$10	\$1,750
Total Estimated Revenues							\$1,750
Total \$ Deposited into Internal Funds							\$1,525
<b><i>Estimated Revenues Unaccounted For</i></b>							<b><u>\$225</u></b>

(1) Based on purchasing records during March 1, 2017, through March 15, 2017.

**Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure fundraiser sponsors have the knowledge of and will be complying with the updated fundraising procedures, they should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activity.

- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- *Sales Item Inventory Reports* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be reviewed and approved by the Principal to confirm the legitimacy of items, if any, that were given-away free-of-charge, or missing. Significant discrepancies between the estimated revenues and actual collections should be investigated and resolved accordingly.

### ***Management's Response***

*This was corrected at the beginning of FY18.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

The review of sample disbursements and P-Card records found that:

- Three Disbursement (#4641 for \$1,527.68; #4666 for \$2,400; and #4697 for \$2,000) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Disbursement #4667 (for \$630) was for payment to a consultant (teaching Percussion and Music Theory). However, the related *School District Consultant Agreement* (PBSD 1420) was not approved by the Principal.
- Disbursement #4747 (for \$1,050) did not have the required Principal approved *Check Requisition Form*.

### **Recommendation**

Disbursement procedures should be administered in accordance with ***Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)***, and related District guidelines. Specifically,

- *Purchase Order* approved by the Principal should be issued for each purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase.
- To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) most importantly, the consultant's

background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement* and ***Florida Statutes §1012.465(Jessica Lunsford Act)***.

- Expenditures should be adequately supported by itemized invoices/receipts. The issuance of a school check for payment should be supported by the Principal's approved *Check Requisition*. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.

### **Management's Response**

*Concur. This was corrected at the beginning of FY18. We trained every teacher and staff member on the proper procedures and had the team complete the ELM trainings on 8/7/2017.*

## **SEGREGATION OF DUTIES**

### **Finding**

During the audit, we noted that the school treasurer was performing incompatible duties. Specifically, the Afterschool Program Site Director was the designated custodian for the *SAAC Receipts*, even though she was also involved in the day-to-day use of the *Log*.

### **Recommendation**

To ensure fiscal accountability and prevent potential irregularities, segregation of duties should be enforced. Specifically, the custodian should be someone who is not involved in the day-to-day use of the form.

### **Management's Response**

*Concur. We met with Afterschool Director and will ensure all MCR yellow forms with receipts are turned in to the secretary at the end of the school year.*

### **Additional Comments:**

*Our treasurer is in her second year and is always willing to learn and enforce the proper accounting procedures.*

**Roosevelt Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1220 15th Street  
 West Palm Beach, FL 33401

Principal:  
 Fiscal Year 2017: Sharonda Alleyne  
 During Audit: Sharonda Alleyne

Treasurer:  
 Fiscal Year 2017: Sheereeneeca Evans  
 During Audit: Sheereeneeca Evans

**Cash and Investments**

Checking	\$ 21,409.72
Investments	
	\$ 21,409.72

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Classes	2,039.34	2,918.00	3,387.50	813.97	785.94	1,597.87
Clubs	0.00	3,474.85	1,840.80	43.10	1,639.85	37.30
Departments	224.39	1,652.36	1,599.29	0.00	0.00	277.46
Trusts	19,265.56	47,970.74	47,967.48	8,732.36	9,282.34	18,718.84
General	1,825.22	13,612.48	16,778.15	2,252.11	133.41	778.25
	\$ 23,354.51	\$ 69,628.43	\$ 71,573.22	\$ 11,841.54	\$ 11,841.54	\$ 21,409.72

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and the money collection process at the school found that:

- *Section 2* on two pages (#14-25802 and #12-22444) of the *Drop-safe Log* was only signed by the school treasurer. There is no evidence that an independent verifier was present to verify the deposit information when the safe was opened.
- When the collections were removed from the safe, the staff verifier did not record the date of removal in *Section 2* on six pages of the *Drop-safe Log* (page #s 12-22445, 14-25811, 14-25816, and 14-25826 through 14-25828).
- The staff verifier did not complete *Section 3* on two pages of the *Log* (page #s 14-25815 and 14-25822). However, all entries agreed with the deposit information.
- The staff verifier did not sign on *Section 3* on four pages of the *Drop-safe Log* (#s14-25811, 14-25822, 14-25815, and 14-25801). The verifier is to confirm the treasurer's entering the deposit information into the Internal Funds Accounting System.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically, to ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO*, (1) the treasurer and an independent staff should jointly verify the contents of the safe against *Section 2* of the *Log* to confirm that the deposits from the safe were removed by the treasurer for processing, and (2) the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur. Administration will review procedures for completing the Drop-safe Log correctly with School Treasurer and the verifier.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of sample fundraiser records revealed that:

- The Central Palm Beach County Savings Card Sales (Account #4-4300.01) did not have the required *Sales Item Inventory Report*. A total of \$1,660 in revenue was deposited into the Internal Funds during August 31 through December 5, 2016. Based on the school’s purchasing records, this fundraiser should have generated a total estimated revenue of \$2,860. As a result, \$1,200 (42%) in estimated revenue was unaccounted for. According to staff, the deficit was created by unsold cards but they were not returned by parents. The parents stated that the cards were lost and participation was low.

Item	Quantity					Selling Price	Revenues
	Beginning Inventory	Purchases <sup>(1)</sup>	Items Given Away	Inventory On Hand	Units Sold		
Cards	-	143	-	-	143	\$20	\$2,860
Total Estimated Revenues							\$2,860
Total \$ Deposited into Internal Funds							\$1,660
<b><i>Estimated Revenues Unaccounted For</i></b>							<b><u>\$1,200</u></b>

(1) Based on purchasing records during August 31, 2016, through December 5, 2016.

- The *Sales Item Inventory Report* for the School Shirts Sales (Account #7-0100.01) fundraiser was not signed by the sponsor and was not approved by the Principal.

**Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure the school’s assets are properly safeguarded, *Sales Item Inventory Report* should be accurately completed with all needed information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.
- The *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing.

**Management’s Response**

*Concur. Administration will review Fundraisers with all staff.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card records found that Disbursement #11406 (for \$200) was to pay a consultant for the May 15, 2017, STEM Night Program. However, the related *School District Consultant Agreement* (PBSD 1420) was not approved by the Principal.

### Recommendation

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically, all contracts should be approved by the Principal as required by *School Board Policy 6.14(4)*, which states “*the School Board has delegated limited authority to ... School Principals relating to the purchase of commodities and contractual services ...*” Properly executed consultant contract should ensure persons are cleared if they have contact with students. (*Florida Statutes §1012.465 - Jessica Lunsford Act.*)

### Management’s Response

*Concur. Administration will review P-card purchases with the School Treasurer.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of facility leasing found that the \$8,375 in leasing charges for Lease #1007 were not collected until 154, 193 and 227 days respectively after use of the facilities by the lessee.

### Recommendation

Leasing of school facilities should be administered in accordance with *School Board Policy 7.18* and related District guidelines. Specifically, *School Board Policy 7.18*, requires that leasing charges “*are to be paid by check or credit card (no cash) at least forty-eight (48) hours prior to the use of a facility.*”

### Management’s Response

*Concur. Administration will review leasing procedures with Leasing Coordinator..*

**Rosenwald Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1321 Martin L King Jr Boulevard  
 South Bay, FL 33493

Principal:  
 Fiscal Year 2017: Dionne Napier  
 During Audit: Dionne Napier

Treasurer:  
 Fiscal Year 2017: Valerie Walker  
 During Audit: Valerie Walker

**Cash and Investments**

Checking	\$ 24,185.62
Investments	
	\$ 24,185.62

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	0.00	1,644.00	1,617.73	53.73	80.00	0.00
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	67.64	50.00	59.34	0.00	0.00	58.30
Trusts	17,339.36	53,123.71	47,606.40	12,212.51	12,745.40	22,323.78
General	4,350.97	3,206.29	6,312.88	1,253.36	694.20	1,803.54
	\$ 21,757.97	\$ 58,024.00	\$ 55,596.35	\$ 13,519.60	\$ 13,519.60	\$ 24,185.62

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sampling of *Monies Collected Reports* (MCRs) and at the school found that:

- The drop-safe was not properly locked and could be opened by anyone. This noncompliance was brought to the principal's attention during the audit fieldwork.
- *Section 2* on two pages of the *Drop-safe Log* (page #s 12-42119 and 12-42127) was not signed by either the treasurer or the independent verifier.
- *Section 3* on three pages of the *Drop-safe Log* (page #s 12-42112, 12-42119, and 12-42127) was not completed and signed by the independent staff verifier to confirm the treasurer's entering the deposit information into the Internal Funds Accounting System.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Safes must not be left unlocked while unattended. Unless there is a need to open the safe for a specific purpose (such as, to remove funds for verification by the bookkeeper and independent verifier) it should remain locked at all times.
- To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO*, (1) the treasurer and an independent staff should jointly verify the contents of the safe against *Section 2* of the *Log* to confirm that the deposits from the safe were removed by the treasurer for processing, and (2) the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur. Safe code was changed. I met with the two staff that have codes and instructed them to make sure that the dial was turned after closing safe and pull the door to make sure it is locked. Also, both must be present as this done.*

**Royal Palm Beach Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 11911 Okeechobee Boulevard  
 Royal Palm Beach, FL 33411

Principal:  
 Fiscal Year 2017: Tracy Gaugler  
 During Audit: Tracy Gaugler

Treasurer:  
 Fiscal Year 2017: Angela Galdaleta  
 During Audit: Angela Galdaleta

Afterschool Site Director:  
 Fiscal Year 2017: Deborah Pagliaro  
 During Audit: Deborah Pagliaro

**Cash and Investments**

Checking	\$ 45,057.62
Investments	
	\$ 45,057.62

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	39.25	323.00	188.13	0.00	0.00	174.12
Classes	0.00	55,606.62	53,401.40	1,049.82	2,034.37	1,220.67
Clubs	4,001.07	14,849.80	14,481.14	71.76	71.76	4,369.73
Departments	16,855.00	15,935.17	25,234.41	5,422.85	5,422.85	7,555.76
Trusts	39,775.10	547,144.98	556,364.47	3,827.44	5,029.40	29,353.65
General	3,016.28	14,037.66	16,856.76	5,713.26	3,526.75	2,383.69
	\$ 63,686.70	\$ 647,897.23	\$ 666,526.31	\$ 16,085.13	\$ 16,085.13	\$ 45,057.62

Royal Palm Beach Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**S.D. Spady Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 901 NW 3rd Street  
Delray Beach, FL 33444

Principal:  
Fiscal Year 2017: Rona Tata  
During Audit: Rona Tata

Treasurer:  
Fiscal Year 2017: Angelica Rios  
During Audit: Angelica Rios

Afterschool Site Director:  
Fiscal Year 2017: Maxwell Benn  
During Audit: Maxwell Benn

**Cash and Investments**

Checking	\$ 46,956.71
Investments	
	\$ 46,956.71

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	350.10	50,472.95	47,854.28	2,432.97	2,512.97	2,888.77
Classes	1,300.31	32,237.00	30,286.00	1,831.50	4,223.75	859.06
Clubs	1,980.45	14,736.91	9,592.77	6,032.08	6,032.08	7,124.59
Departments	4,567.81	13,086.79	14,145.44	2,130.24	2,110.24	3,529.16
Trusts	27,145.50	486,995.98	485,456.69	9,632.66	10,126.66	28,190.79
General	4,468.67	7,745.37	10,795.95	5,280.58	2,334.33	4,364.34
	\$ 39,812.84	\$ 605,275.00	\$ 598,131.13	\$ 27,340.03	\$ 27,340.03	\$ 46,956.71

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- *Section 1* of the *Drop-safe Log* was not always completed by the sponsors with all the required information. Missing information included the dates of collections and the dates when the collections were put into the drop-safe.
- Section 2 on two pages of the *Drop-safe Log* (pages #14-03279 and #14-03280) did not have the dates that collections were removed from the safe.
- Monies collected were not always deposited into the drop-safe in a timely manner. For example, \$790.00 collected through seven MCRs (#484-1, #483-5, #487-15, #515-2, #515-9, #490-1, and #526-3) were retained by the sponsors for one to three working days before the money was put into the drop-safe for deposit.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete Section 1 of the Log before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete Section 2 of the Log to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete Section 3 of the Log after the treasurer entered the deposit information into the accounting system.
- *DOE Rules* and *District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted exposure and potential irregularities.

### Management's Response

*Moving forward we will get initials, put one line through mistakes, fill in every date box not using arrows. We will monitor mistakes and have them corrected in timely manner. The money collected receipts were put into the drop safe log after the 1-3 working days because the sponsor did not write on the drop safe log when it was originally dropped. It was because of this that the 3<sup>rd</sup> party*

*verifier and bookkeeper check contents, and the 3<sup>rd</sup> party verifier wrote on the drop safe log the missing deposit for the original date it was dropped.*

## **DOCUMENTATION OF DISBURSEMENTS**

### **Finding**

The review of sample disbursements and P-Card records found that:

- Disbursements #12361 (for \$2,223) was supported by an email request for payment rather than a detailed invoice.
- Disbursement #12587 (for \$43.52) was a reimbursement to an employee for the purchase of classroom supplies. However, the items were shipped to the staff's home address instead of the school.

### **Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual* and related District guidelines. Specifically,

- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- School purchases should be delivered to the school address

### ***Management's Response***

*This was reimbursement for a club sponsored trip of expenses on a credit card, during a NY trip. In the future we will not permit this. Purchases made by staff are allowed to be delivered to their homes according to the internal accounts technician.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of controls in prenumbered documents found the following:

- The *Document Custodian Assignment Register* (PBSD 1663) was not approved by the Principal.

- The school did not maintain the monthly *Prenumbered Document Inventory Registers (PBSD 0160)* for *Drop Safe Logs*. Additionally, one page (#14-03305) of the *Drop-safe Logs* for Fiscal Year 2017 was skipped but retained.

### **Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- To ensure proper fiscal accountabilities and as required by ***Chapter 27 of the Internal Accounts Manual***, designated staff should be assigned as document custodian for each prenumbered form. The assignment should be recorded on the *Document Custodian Assignment Register* (PBSD 1663) and approved by the Principal.
- To ensure prenumbered *Drop-safe Logs* and *School Checks* are properly accounted for, the designated document custodian(s) should use the *Prenumbered Document Inventory Register* (PBSD 0160) to account for the usage and monthly inventory-check of these documents.

### **Management's Response**

*When discovered during last year's audit we began fixing this problem. Documents will show that the last half of the audit year the problem has been resolved.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The review of records for leasing of school facilities found that leasing charges were not always collected in a timely manner. Specifically, leasing charges for 11 leases (#1002, #1004, #1005, #1006, #1009, #1008, #1011, #1019, #1016, #1018, and #1025) were not collected prior to the use of the facilities. Delays ranged from one to 22 days.

### **Recommendation**

***School Board Policy 7.18***, requires that "*Fees are to be paid by check or credit card (no cash) at least forty-eight (48) hours prior to the use of a facility.*"

### **Management's Response**

*Concur. Although the bookkeeper is not here during the summer months for receiving and depositing of checks, Principal and Principal Secretary will now be made aware to assume this responsibility during bookkeeper's absence. Bookkeeper will do a better job at enforcing payment prior to the lease date.*

**Sandpiper Shores Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 11201 Glades Road  
 Boca Raton, FL 33498

Principal:  
 Fiscal Year 2017: Stephnie Coletto  
 During Audit: Stephnie Coletto

Treasurer:  
 Fiscal Year 2017: Patricia Soletti  
 During Audit: Maria Schainuck

Afterschool Site Director:  
 Fiscal Year 2017: Carolina Desnoyers  
 During Audit: Jacquelyn Flynn

**Cash and Investments**

Checking	\$ 75,658.10
Investments	
	\$ 75,658.10

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	5,740.18	2,815.00	5,807.07	2,615.46	2,615.46	2,748.11
Classes	3,981.47	10,834.00	10,768.13	352.34	2,107.52	2,292.16
Clubs	1,389.85	524.00	804.63	0.00	12.42	1,096.80
Departments	2,391.31	18,521.44	19,013.52	369.08	242.59	2,025.72
Trusts	30,131.90	412,760.17	380,294.29	10,718.13	12,360.57	60,955.34
General	2,288.02	12,573.03	11,604.63	4,980.95	1,697.40	6,539.97
	\$ 45,922.73	\$ 458,027.64	\$ 428,292.27	\$ 19,035.96	\$ 19,035.96	\$ 75,658.10

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sampling of *Monies Collected Reports* (MCRs) at the school found that:

- The school's *2017 End-of-Year Checklist* instructed staff to submit all the yellow copies of MCRs to the secretary but did not instruct staff to include the computerized receipts. This resulted in some sponsors not attaching the computerized receipts to the yellow copies of the MCRs when submitting the MCRs to the school secretary for record retention at the end of the school year.
- At the year-end, the Afterschool Program Site Director and the Lease Coordinator did not turn in the yellow copies of the MCRs, along with the computerized receipts to the school secretary for record keeping. Instead, the yellow copies were found in afterschool boxes and lease contracts folder respectively.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- As required by *Bulletin #P-14051-S/CFO* and *Internal Accounts Manual, Chapter 7's Record Retention Requirements*, at the year-end, "*Teachers/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary...*" The school should correct its *End-of-Year Checklist* to ensure the instructions are complying with the District's procedures.

### Management's Response

*The notations on the drop safe log were signed by the school secretary when she returned the deposit bag to the after school director. Over the past few years, these procedures were followed based on instructions from district staff and have been reviewed by several past auditors and have not presented as a finding. The procedures were revised last year and communicated to the bookkeeper at a meeting and at that time on the drop safe logs beginning 1/17/17 the procedures were changed to reflect the new procedure which was to write do not deposit and the bookkeeper or the confidential secretary wrote return to after care director with the bookkeeper or confidential secretary's initials. This year starting in August, we have been told that the policy is: when return after school funds to the director, who write TBD in the monies collected form column, the bookkeeper or confidential secretary writes returned to after school director and the*

*bookkeeper or confidential secretary initial and the after school director initials. New procedures are being followed as per the bulletin from 10/25/17.*

*End of year checklist has been revised.*

*The yellow copies and computerized receipts were placed in the audit box preparing for the auditor. A copy was also placed in the leasing binder with the leases. Procedures were followed.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser records found that:

- The sponsors of the following three fundraisers did not complete the required eLearning Fundraiser Training Course prior to conducting the fundraiser activities:

<b>Fundraiser Activity</b>	<b>Account Number</b>	<b>Activity Began</b>	<b>Training Completed</b>
Grade 3 Workbook	#3-3300.01	8/19/2016	Did not complete
Safety Patrol Domino’s Cards	#6-4000.05	9/22/2016	Did not complete
Yearbook Sales	#7-0100.02	2/1/2017	2/2/2017

- The Grade 3 Workbook Sales (Account #3-3300.01) did not have the required *Fundraising Application/Recap Form and Sales Item Inventory Form*. A total of \$1,626 in sales revenues was deposited into the Internal Funds during the period August 19, 2016, through June 7, 2017. Based on the school’s purchasing records, this fundraiser should have generated a total estimated revenue of \$1,950. As a result, \$324 (\$1,950 - \$1,626) or 17% in estimated revenue was unaccounted for. According to the Principal, additional Workbooks were provided to students free-of-charge without documentation. This might explain the \$324 discrepancy in revenue.

<b>Item</b>	<b>Quantity</b>					<b>Selling Price</b>	<b>Revenues</b>
	<b>Beginning Inventory</b>	<b>Purchases<sup>(1)</sup></b>	<b>Items Given Away</b>	<b>Inventory On Hand</b>	<b>Units Sold</b>		
GR 3 Workbook	-	150	-	-	150	\$13	\$1,950

Total Estimated Revenues	\$1,950
Total \$ Deposited into Internal Funds	\$1,626
<b><i>Estimated Revenues Unaccounted For</i></b>	<b><u>\$324</u></b>

(1) Based on purchasing records during August 19, 2016, through June 7, 2017.

Sandpiper Shores Elementary School  
Management Letter  
Year Ended June 30, 2017

- Although a *Sales Item Inventory Report* for Safety Patrol Domino's Cards Sales (Account #6-4000.05) was prepared and signed by the sponsor, none of the fundraiser information was recorded on the form. Missing information included (1) the beginning and ending inventories, (2) the quantities of items purchased, sold, and given-away, and (3) the selling prices and revenues.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically:

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the actual sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items, if any, that were given-away or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

### **Management's Response**

*Concur. This workbook was not a fundraiser. These were consumable instructional materials purchased by parents to be used for instructional purposes. Procedures will be followed as we move forward.*

*Teachers in charge of fundraisers, will be mandatorily required to complete the fundraising training and provide documentation. The Sales Item Inventory as well as the fundraising forms will be completed in the future.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

The review of sample disbursements and P-Card purchases found that:

Sandpiper Shores Elementary School  
Management Letter  
Year Ended June 30, 2017

- Disbursement #11096 (for \$2,895.91) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Disbursement #11110 (\$73.35) included \$4.15 in sales tax reimbursement to an employee for a qualified tax-exempt purchase. Also, an online purchase with the school's P-Card during March 2017, included a payment of \$2.46 in sales tax.
- Disbursements #11140 (\$10,950.00) was for payments of travel expenses for an Out-of-County Safety Patrol field trip to Washington D.C. However, the related *Fieldtrip Requests* and staff *Temporary Duty Elsewhere (TDE) Forms* were not approved by the Area Superintendent.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual*, *Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically:

- Pursuant to the District's *Purchasing Manual* and *Internal Accounts Manual*, all Internal Funds purchases require Principal's prior approval and *Purchase Order* should be issued for purchases in excess of \$1,000.
- The School District is a sales tax-exempt governmental entity, and should not pay sales tax for qualified purchases.
- Field trips should be administered in accordance with *School Board Policy 2.40*. Specifically, (1) field trips should be pre-approved by the Principal with adequate documentation; (2) in-county field trips should be approved by the Principal; and (3) out-of-county field trips should be approved by the Principal and Regional/Instructional Superintendent.
- To ensure purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.

### *Management's Response*

*Concur. Procedures will be followed in the future. These [field trip] forms were sent to the area office on two occasions, but never returned to us. We are aware of this procedure and will continue to follow protocol as we have always done in the past.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that the school did not perform the monthly inventory-check for the *School Checks* and *Drop-safe Logs*. Specifically, the *School Checks* were inventoried only seven times during the year on July 25, August 1, September 1, October 4, November 3, December 1, 2016 and January 10, 2017; and *Drop-safe Logs* were inventoried six times during the year on August 11, September 1, October 4, November 2, December 1, 2016 and January 10, 2017.

### Recommendation

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*, a document custodian should be assigned for all prenumbered documents and recorded on the *Document Custodian Assignment Register* (PBSD 0163). Each assigned document custodian shall use the *Prenumbered Document Inventory Register* (PBSD 0160) to perform the monthly periodic inventory of the prenumbered forms.

### Management's Response

*Concur. Procedures will be followed.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of facility leasing found that leasing charges were not allocated and recorded in the respective accounts in accordance with District's guidelines. Custodial labor charges for Leases #1052 and #1053 were inadvertently recorded in the Rental Income and Utilities Accounts instead of the Custodial Fees Account. As a result, the school over-transmitted \$320 in District Share to the Central Office.

### Recommendation

Leasing of school facilities should be administered in accordance with *School Board Policy 7.18* and related District guidelines. Specifically, to facilitate timely and accurate submission of utility and other leasing related fees to the Central Office, leasing revenues should be allocated in accordance with the District's *Approved Rate Schedule*. These revenues should be recorded in the respective leasing accounts, including Rental Income (#6-3800), Facilities Rental Utilities (#6-5500), Extra Services-Custodial (#6-1500), Extra Services-Other (#6-1600), Rental Facilities Event Insurance (#6-1850), and Florida Sales Tax Payable (#6-1800).

Sandpiper Shores Elementary School  
Management Letter  
Year Ended June 30, 2017

**Management's Response**

*Concur. The accounts are broken down into those categories. The lessee paid for the lease online.  
In light of the finding, does the District owe us the \$320?*

**Seminole Trails Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 4075 Willows Pond Road  
West Palm Beach, FL 33417

Principal:  
Fiscal Year 2017: Judith Garrard  
During Audit: Judith Garrard

Treasurer:  
Fiscal Year 2017: Jenny Hurtado  
During Audit: Lilibette Valdes

Afterschool Site Director:  
Fiscal Year 2017: Mariela Bort  
During Audit: Mariela Bort

**Cash and Investments**

Checking	\$ 48,209.89
Investments	
	\$ 48,209.89

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,882.04	0.00	1,862.42	17.01	0.00	36.63
Classes	3,277.60	0.00	785.07	23.15	0.00	2,515.68
Clubs	1,217.62	3,690.00	3,122.38	2,134.94	2,764.84	1,155.34
Departments	11,647.09	15,703.78	15,939.98	3,411.99	3,411.99	11,410.89
Trusts	41,354.12	277,540.03	289,830.86	6,500.45	5,993.82	29,569.92
General	4,576.69	1,474.42	2,612.79	214.91	131.80	3,521.43
	\$ 63,955.16	\$ 298,408.23	\$ 314,153.50	\$ 12,302.45	\$ 12,302.45	\$ 48,209.89

## AFTERSCHOOL PROGRAM

### Finding

The review of Afterschool Program records at the school found that:

- The *Registration Form* for one student was incomplete. Missing information included required emergency contact information and health information.
- The Summer Camp had an accounts receivable of \$3,190.38 from 26 student accounts as of January 24, 2018, five months after the camp ended.

### Recommendation

Afterschool Program should be administered in accordance with District's guidelines and the *Afterschool Programs Operational Manual*. Specifically,

- To protect the best interests of students, the *Afterschool Programs Registration Form* for each student should be completed with all the required information and signed by the parent/guardian.
- To ensure full compliance with District rules, Afterschool fees should be collected in advance as required by *Afterschool Programs Operational Manual*.

### Management's Response

*Concur. We met with the Department of Afterschool Programming to review procedures and the new Afterschool Director will have a system to collect all payments in advance. We are working with parents to ensure that payments owed are received. The new Director will monitor registration forms more thoroughly.*

**South Grade Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 716 South "K" Road  
Lake Worth, FL 33460

Principal:  
Fiscal Year 2017: Michael Riley  
During Audit: Ana Arce-Gonzalez

Treasurer:  
Fiscal Year 2017: Ronel Blaise  
During Audit: Ronel Blaise

Afterschool Site Director:  
Fiscal Year 2017: Francheska Delgado-Rivera  
During Audit: Francheska Delgado-Rivera

**Cash and Investments**

Checking	\$ 14,447.70
Investments	
	\$ 14,447.70

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$ 240.00	\$ 240.00	\$0.00	\$0.00	\$0.00
Music	147.03	2,101.65	2,205.94	0.01	0.01	42.74
Classes	2,431.29	3,588.72	3,225.12	1,409.00	1,409.00	2,794.89
Clubs	1,060.53	15,918.30	14,010.19	312.71	2,404.57	876.78
Departments	1,822.47	8,066.24	8,929.96	5.00	5.00	958.75
Trusts	8,697.73	99,373.80	100,297.20	3,400.06	1,725.08	9,449.31
General	2,025.87	3,333.04	5,450.56	416.88	0.00	325.23
	\$ 16,184.92	\$ 132,621.75	\$ 134,358.97	\$ 5,543.66	\$ 5,543.66	\$ 14,447.70

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that the Safety Patrol Chocolate Sales (Account #4-4300.02) has the following exceptions:

- \$12,817.30 in sales revenues was deposited during July 1, 2016, and June 30, 2017. Based on the school's purchasing records and the *Sales Item Inventory Report*, this fundraiser should have generated a total estimated revenue of \$13,470. As a result, a discrepancy of \$652.70 was not accounted for. This amount included \$390 in estimated revenue for unsold candy from students who did not turn in funds or return the unsold candy.
- The *Sales Item Inventory Report* was completed incorrectly. Purchase quantities and sales prices were recorded by box units, when the sales units were individual bars.
- Expenditure transactions of \$2,319 unrelated to the fundraising activity were incorrectly recorded in this account.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically, to protect the school's best interest and ensure proper fiscal accountability, *Sales Item Inventory Reports* should be completed accurately with all the needed information. Accurate *Sales Item Inventory Reports* should assist staff in (1) reconciling sales revenues and (2) tracking items purchased, given-away, or remained in inventory. Significant discrepancy between the estimated revenue and actual receipt should be investigated and resolved accordingly. Only transactions relating to fundraisers should be recorded in decimal accounts.

### Management's Response

*[Current Principal] Concur.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchases found that:

- Three disbursements totaling \$1,505 (#5490, #5497 and #5512) were for hiring someone to paint entry doors and railings around the school. Although the disbursements were supported by *School District Consultant Agreements (PBSD 1420)*, Purchasing Department procedures

require chemical purchases, such as, paint to be made through the District warehouse for safety requirements. Also, the school's Facility Management Coordinator should be contacted prior to purchasing services affecting the campus.

- One disbursement #5483 (for \$120) for a field trip refund did not have any supporting documentation.
- Disbursement #5529 (for \$1,519.24) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.

### **Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and the related District guidelines. Specifically,

- *Purchasing Manual, Chapter 12-2*, requires that the school's Facilities Management Coordinator be contacted before purchasing any goods or services that will affect the campus.
- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- A *Purchase Order* approved by the Principal should be issued for each purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase.

### **Management's Response**

*[Current Principal] Concur.*

## **AFTERSCHOOL PROGRAM**

### **Finding**

The review of school's Afterschool Program found that, the Verification of Student Registration Section of the *Afterschool Registration Form* for one student was not signed by the parent/guardian.

### **Recommendation**

To protect the welfare and safety of students, the *Afterschool Programs Registration Form* for each student should be completed with all the needed information and signed by the parent/guardian.

### ***Management's Response***

*[Current Principal] Concur.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of controls in prenumbered documents found that the school did not maintain (1) *Document Custodian Assignment Register (PBSD 1663)*, and (2) *Prenumbered Document Inventory Register (PBSD 0160)* for *Drop-Safe Logs*.

### **Recommendation**

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*, a document custodian should be assigned for all prenumbered documents and recorded on the *Document Custodian Assignment Register (PBSD 0163)*. Each assigned document custodian shall use the *Prenumbered Document Inventory Register (PBSD 0160)* to perform the periodic inventory of the prenumbered forms.

### ***Management's Response***

*[Current Principal] Concur.*

**South Olive Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 7101 South Olive Avenue  
West Palm Beach, FL 33405

Principal:  
Fiscal Year 2017: Melinda Springman  
During Audit: Melinda Springman

Treasurer:  
Fiscal Year 2017: Maribel Alvarez  
During Audit: Maribel Alvarez

Afterschool Site Director:  
Fiscal Year 2017: Jim Anstead  
During Audit: Jim Anstead

**Cash and Investments**

Checking	\$ 53,833.44
Investments	
	\$ 53,833.44

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	969.80	3,367.65	2,967.21	119.44	136.89	1,352.79
Classes	2,790.33	26,609.50	23,325.89	1,218.95	5,479.75	1,813.14
Clubs	20.00	0.00	0.00	0.00	20.00	0.00
Departments	5,559.71	16,447.19	13,805.41	0.00	1,216.42	6,985.07
Trusts	20,122.68	264,074.42	260,142.97	4,480.62	4,226.59	24,308.16
General	12,746.60	10,551.55	9,184.51	5,562.64	302.00	19,374.28
	\$ 42,209.12	\$ 321,050.31	\$ 309,425.99	\$ 11,381.65	\$ 11,381.65	\$ 53,833.44

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of records for sample disbursements and P-Card purchases found that:

- Disbursement #12407 (for \$2,096.98) did not have the required *Purchase Order*. A *Purchase Order* is required for all purchases exceeding \$1,000.
- Disbursement #12431 (for \$400) was for a refund of field trip fees to a student who paid but did not attend the trip to Washington, D.C. However, the disbursement did not have supporting documentation for the student's original payment, such as a receipt or copy of *Monies Collected Report*.

### Recommendation

Disbursements should be administered in accordance with *Internal Accounts Manual* and related District guidelines. Specifically,

- Pursuant to the District's *Purchasing Manual* and *Internal Accounts Manual*, all Internal Funds purchases require (1) Principal's approval prior to the purchase; and (2) purchases in excess of \$1,000 require a *Purchase Order*.
- Refund of field trip fees to students should be supported by the original payment records. Without adequate documentation, there is no assurance that the disbursements were appropriate.

### Management's Response

*Concur. Since September 2017, we have maintained a log for P.O.'s internal. Moving forward, staff will attach monies collected forms to check requests for refunds.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that the school did not have:

- The *Document Custodian Assignment Register (PBSD 1663)*.
- The *Prenumbered Document Inventory Registers (PBSD 0160)* for *Drop-Safe Logs* and *School Checks*.

### **Recommendation**

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*,

- A designated document custodian should be assigned for each prenumbered form; and the assignments should be recorded on the *Document Custodian Assignment Register (PBSD 1663)* accordingly.
- To ensure all prenumbered documents are properly accounted for, the document custodian for each prenumbered document, including *Drop-safe Logs* and *School Checks*, should use the *Prenumbered Document Inventory Register (PBSD 0160)* to confirm the periodic inventory check of the prenumbered forms.

### **Management's Response**

*Concur. Document Custodian completed online training and met face-to-face onsite at South Olive Elementary to review document custodian procedures.*

**Starlight Cove Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 6300 Seminole Drive  
Lantana, FL 33462

Principal:  
Fiscal Year 2017: Cara Hayden  
During Audit: Cara Hayden

Treasurer:  
Fiscal Year 2017: Mariluz Richiez  
During Audit: Mariluz Richiez

Afterschool Site Director:  
Fiscal Year 2017: Christian Carrera  
During Audit: Christian Carrera

**Cash and Investments**

Checking	\$ 27,197.99
Investments	
	\$ 27,197.99

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	53.54	0.00	53.54	0.00	0.00	0.00
Classes	1,223.83	21,771.50	21,909.76	723.50	723.50	1,085.57
Clubs	520.29	16.00	81.00	0.00	0.00	455.29
Departments	4,146.59	10,659.84	9,316.75	1,799.08	2,394.16	4,894.60
Trusts	10,081.12	309,484.34	300,022.26	3,324.96	2,996.92	19,871.24
General	1,512.54	6,090.32	6,978.61	1,240.04	973.00	891.29
	\$ 17,537.91	\$ 348,022.00	\$ 338,361.92	\$ 7,087.58	\$ 7,087.58	\$ 27,197.99

## SEGREGATION OF DUTIES

### Finding

Incoming mails were sorted and distributed by staff other than the treasurer. However, those mails addressed to the treasurer were given to her for opening and processing.

### Recommendation

Incoming mails should be received and opened by different staff members. Payments, if any, received in the mails should be recorded on a *Monies Collected Report* (MCR) by the staff who opens the mails, prior to placing the collection into the drop-safe.

### Management's Response

*Concur.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of records for sample disbursements and P-Card purchases found that:

- Disbursement #10000 (for \$1,146.44) did not have the required *Purchase Order*. A *Purchase Order* is required for purchases exceeding \$1,000.
- Disbursement #10022 (for \$1,137) was supported by an order form without details. Itemized invoice or receipt is needed for documentation.
- Supporting documentation such as invoices/receipts were not defaced (stamped "PAID") after payment was made. This is to help prevent duplicate payments.

### Recommendation

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines:

- A *Purchase Order* approved by the Principal should be issued for purchases exceeding \$1,000. This will ensure that funding is available for the expense.
- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate

supporting documentation, there is no assurance that the expenses are appropriate.

- To avoid duplicate payments, supporting documentation should be defaced (stamped “PAID”) after payment was made.

***Management’s Response***

*Concur.*

**Sunrise Park Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 19400 Coral Ridge Road  
Boca Raton, FL 33498

Principal:  
Fiscal Year 2017: Alicia Steiger  
During Audit: Alicia Steiger

Treasurer:  
Fiscal Year 2017: Mary Beth Johnson  
During Audit: Mary Beth Johnson

Afterschool Site Director:  
Fiscal Year 2017: Rosanne Lasora  
During Audit: Rosanne Lasora

**Cash and Investments**

Checking	\$ 132,384.57
Investments	
	\$ 132,384.57

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	167.97	0.00	0.00	0.00	0.00	167.97
Classes	13,333.32	51,133.40	50,124.26	6,342.62	7,749.84	12,935.24
Clubs	1,318.58	91.00	512.59	240.00	179.54	957.45
Departments	48,183.99	29,781.04	34,288.11	6,991.62	6,729.80	43,938.74
Trusts	50,607.82	506,225.91	500,288.15	19,769.82	22,249.78	54,065.62
General	23,612.15	29,556.35	36,413.85	15,080.00	11,515.10	20,319.55
	\$ 137,223.83	\$ 616,787.70	\$ 621,626.96	\$ 48,424.06	\$ 48,424.06	\$ 132,384.57

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sample *Monies Collected Reports* (MCRs) found that:

- The school treasurer had possession of the FY 2017 *Drop-safe Log* in her home during the audit. She returned it to the school upon request. Five pages (#s 12-67561, 12-67585, 12-67589, 14-29765, and 14-29770) were maintained in a folder separated from the *Log*.
- *Sections 2 and 3* for 11 entries on the above five pages of the *Log* were not signed by the staff-verifier to confirm the verifier was present when the safe was opened and the treasurer's entering the deposit information into the Internal Funds Accounting System. Moreover, *Official Receipts* were still attached to each page instead of being returned to the originating sponsors.
- *Section 2* on one *Drop-safe Log* page (#12-67585) was signed only by the treasurer. There is no evidence that an independent verifier was present to verify the deposit information when the safe was opened.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- To ensure proper fiscal accountability and as required by *Bulletin #P 18-132 CFO*, "Completed *Drop-safe Logs* along with *PBSD 2587* will be filed sequentially in by document number and shall be retained for five years."
- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- *Official Receipts* (generated by the Internal Funds Accounting System) should be signed by the treasurer and provided to the staff-verifier to complete *Section 3* of the *Drop-safe Log*. Then the receipts should be returned to the remitters to acknowledge the receipts and recording of funds in the system.

### Management's Response

*Concur. Treasurer resigned as of 1/8/18. All drop safe procedures and document custodian responsibilities have been revisited with all stakeholders. Document custodian participated in training*

*with a district account analyst. She is now well versed on the policies and her role as the document custodian.*

## **SAFEGUARDING OF SCHOOL ASSETTS**

### **Finding**

During the audit, we noted that the school's blank checks were stored in an unlocked drawer in the treasurer's office. There was no access restriction to the office while the treasurer was away.

### **Recommendation**

To ensure school assets are safeguarded properly, school checks should be stored in a restricted location, such as a locked cabinet or the drop-safe.

### ***Management's Response***

*Concur. Effective immediately all reserve checks are stored in the safe. Treasurer signs out checks with the document custodian and those checks are stored in a locked cabinet in the treasurer's office. Mini audits will occur monthly with the new treasurer and document custodian to ensure policies are being adhered to.*

## **DOCUMENTATION FOR FUNDRAISERS**

### **Finding**

The review of fundraiser records found that for the Uniform T-shirt Sales (Account #7-0100.03):

- Did not have the required *Sales Item Inventory Report*.
- The sponsor did not complete the *Recap Section (Actual Sales)* of the *Fundraising Application/Recap Form*.

### **Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. Specifically,

- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the actual sales revenue with the estimated revenue.

- Failure to prepare the related reports for fundraisers defeat the purpose of controls and could result in undetected loss of school assets.

***Management's Response***

*Concur. All fundraising sponsors will ensure that sales inventory is captured on the Sales Item Inventory report from this point forward. A current inventory of our t-shirts for sale will be completed as well.*

***Additional comments***

*District personnel are scheduled to come out to support and train the new bookkeeper. As stated monthly min-audits will be completed with the principal and the bookkeeper and document custodian to ensure that the SDPBC policies and procedures are being followed so that we have a clean audit FY18.*

**Sunset Palms Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 8650 Boynton Beach Boulevard  
 Boynton Beach, FL 33437

Principal:  
 Fiscal Year 2017: Karen Riddle  
 During Audit: Karen Riddle

Treasurer:  
 Fiscal Year 2017: Karen Price  
 During Audit: Karen Price

Afterschool Site Director:  
 Fiscal Year 2017: Sheri Baumgardner  
 During Audit: Sheri Baumgardner

**Cash and Investments**

Checking	\$ 121,882.48
Investments	
	\$ 121,882.48

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	733.04	1,442.00	1,427.51	48.72	48.72	747.53
Classes	20,249.20	71,521.76	66,808.80	12,351.55	14,672.81	22,640.90
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	9,544.29	33,914.10	24,985.41	10,491.55	10,246.97	18,717.56
Trusts	57,968.13	1,022,578.19	1,014,403.92	95.28	6,240.71	59,996.97
General	18,012.69	21,798.47	28,253.75	15,702.11	7,480.00	19,779.52
	\$ 106,507.35	\$1,151,254.52	\$1,135,879.39	\$ 38,689.21	\$ 38,689.21	\$ 121,882.48

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and the money collection process at the school found that:

- *Section 1* of the *Drop-safe Log* was not always completed by the sponsors with all the required information. Missing information included the dates of collections and the dates when collections were put into the drop-safe.
- *Section 2* on three pages of the *Logs* (#s 50-20005, 14-50828 and 12-67886) were only signed by the school treasurer. There was no evidence that an independent verifier was present to verify the deposit information when the safe was opened.

### Recommendation

To ensure proper fiscal accountability, responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system by entering the *Official Receipt* number on the *Log*.

### Management's Response

*Concur. Sponsors/teachers will be reminded again to complete the drop safe log correctly. A poster with directions has been posted on the safe for sponsors/teachers. An independent verifier and treasurer have always verified the deposit, however, they have been instructed to be diligent in signing off on the drop safe log.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records revealed that:

- The sponsor of the Yearbooks (Account #7-0100.02) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017.
- The *Sales Item Inventory Report* for the Grade 3 Popcorn Sales (Account #3-3300.01) was not approved by the Principal.

## Recommendation

Fundraisers should be administered in accordance with **School Board Policy 2.16** and the related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- The *Sales Item Inventory Report* should be completed with accurate information for each fundraiser. This will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing.

## Management's Response

*Concur. The principal will only sign off on a fundraiser if the sponsor provides a copy of the eLearning trainings. The treasurer will have the principal sign off on the sales item inventory report at the end of the fundraiser.*

## DOCUMENTATION OF DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card records found that a P-Card transaction (for \$4,966) was for payment of admission fees for the March 2, 2017, In-County Summer Camp field trip. However, the required *Field Trip Request Form* was missing.

### Recommendation

Disbursements should be administered in accordance with **Internal Accounts Manual** and related District guidelines. Specifically, Field trips should be approved in accordance with **School Board Policy 2.40** and related District guidelines. Specifically, a *Field Trip/Activity Planning Report and Approval Request* and TDEs must be completed by the sponsor and pre-approved by the Principal for each field trip.

### Management's Response

*Concur. The fieldtrips were approved by the principal, but the paperwork was misplaced by the summer camp director. The summer camp director had a death in the family. All TDEs were signed and accounted for.*

***Additional Comments***

*This was my treasurer's FIRST year as a treasurer. We have reviewed all findings and corrective actions. The treasurer is attending all district trainings. We have high expectations at sunset Palms and expect to see an improved audit next year.*

**The Conservatory School @ North Palm Beach**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 401 Anchorage Drive  
North Palm Beach, FL 33408

Principal:  
Fiscal Year 2017: Teresa Stoupas  
During Audit: Teresa Stoupas

Treasurer:  
Fiscal Year 2017: Michelle Testa  
During Audit: Michelle Testa

Afterschool Site Director:  
Fiscal Year 2017: Patricia Vico  
During Audit: Patricia Vico

**Cash and Investments**

Checking	\$ 67,660.09
Investments	
	\$ 67,660.09

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 1,003.50	\$ 505.00	\$ 1,703.65	\$ 248.49	\$0.00	\$ 53.34
Music	10,359.16	68,306.50	64,450.30	10,502.32	12,258.07	12,459.61
Classes	117.61	15,365.62	10,239.65	2,726.97	7,714.23	256.32
Clubs	3,025.53	7,377.47	7,443.26	514.00	0.00	3,473.74
Departments	1,991.07	15,317.54	14,884.36	2,398.84	2,398.84	2,424.25
Trusts	27,251.87	358,955.48	363,578.47	10,881.57	7,321.57	26,188.88
General	3,287.07	31,759.63	14,663.27	3,467.29	1,046.77	22,803.95
	\$ 47,035.81	\$ 497,587.24	\$ 476,962.96	\$ 30,739.48	\$ 30,739.48	\$ 67,660.09

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraising documentation revealed that:

- The sponsor of the School Shirts Sale (Account #7-0100.07) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017.
- The *Sales Item Inventory Reports* for the Reusable Bags Sale (Account #3-3000.23) and the School Shirt Sales (Account #7-0100.07) were not reviewed and approved by the Principal

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- The *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items, if any, that were given-away or missing. Discrepancy between the estimated revenue and actual receipt should be investigated and resolved accordingly.

### *Management's Response*

*This was done in 2015 and 2018, missed in 2017. Principal signature lines will be highlighted on all forms used by bookkeeper.*

**Timber Trace Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 5200 117th Court North  
Palm Beach Gardens, FL 33418

Principal:  
Fiscal Year 2017: Kathy Pasquariello  
During Audit: Kathy Pasquariello

Treasurer:  
Fiscal Year 2017: Dawn Hollandsworth  
During Audit: Dawn Hollandsworth

Afterschool Site Director:  
Fiscal Year 2017: Rhonda Heide  
During Audit: Rhonda Heide

**Cash and Investments**

Checking	\$ 104,939.52
Investments	
	\$ 104,939.52

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	652.79	944.00	166.27	697.00	0.00	2,127.52
Classes	4,784.00	50,219.84	61,826.79	18,836.85	7,584.56	4,429.34
Clubs	8,835.64	20,390.08	13,292.83	5,979.52	13,012.03	8,900.38
Departments	25,274.18	51,501.71	48,311.13	17,268.02	16,635.02	29,097.76
Trusts	52,680.78	689,635.82	681,720.11	15,328.81	23,214.86	52,710.44
General	5,920.18	13,101.07	13,683.44	8,377.64	6,041.37	7,674.08
	\$ 98,147.57	\$ 825,792.52	\$ 819,000.57	\$ 66,487.84	\$ 66,487.84	\$ 104,939.52

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that *Sections 2* on 10 pages of the *Drop-safe Log* (page #s 14-45995, 14-50751, 14-504753, 14-45967, 14-45985, 14-45986, 14-45992, 14-45993, 14-50776, and 14-500783) was not initialed by the persons present removing the collections from the drop-safe. Also, *Section 3* on five pages (14-45959, 14-45967, 14-50944, 14-45968, and 14-50950) of the *Drop-safe Log* did not have the initials of the independent verifier.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools), Internal Accounts Manual*, and District guidelines. Specifically, to ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO*, (1) the treasurer and an independent staff should jointly verify the contents of the safe against *Section 2* of the *Log* to confirm that the deposits from the safe were removed by the treasurer for processing, and (2) the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur. School's treasurer was on leave during the period of times noted in the finding. Temporary support provided by the District did not identify the errors noted as they were only on campus 1-2 days per week. Previous audits demonstrate our regular staff understand and follow District procedures. Moving forward the new school treasurer will ensure prescribed protocols are followed.*

## DOCUMENTATION OF DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card records found that:

- One P-Card purchase for \$25.95, took place on November 30, 2016, but did not have supporting documentation for the expenses.
- Disbursement #14632 (for \$486.50) was for payment to a consultant who provided an in-house presentation for students on November 16, 2016. However, this expenditure was supported by a FY2015 invoice from the same vendor dated May 13, 2015.
- The *Field Trip/Activity Planning Report and Approval Request* for the Cobb Movie Theatre field trip (Disbursement #14915 for \$1,968.56) was neither signed by the trip sponsor nor approved by

the Principal. Also, the *Field Trip/Activity Planning Report and Approval Request* for the Maltz Jupiter Theatre field trip (Disbursement #14806 for \$665) was not approved by the Principal.

### **Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual* and related District guidelines. Specifically,

- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- Field trips should be conducted in accordance with *School Board Policy 2.40* and related District guidelines. Specifically, *Field Trip/Activity Planning Report and Approval Request* and TDE must be completed and approved by the Principal for each field trip.

### **Management's Response**

*Concur. School's treasurer was on leave during the period of times noted in the finding. Temporary support provided by the District did not identify the errors noted as they were only on campus 1-2 days per week. Previous audits demonstrate our regular staff understand and follow District procedure. Moving forward the new school treasurer will ensure prescribed protocols are followed.*

*School administration and staff have developed a system of field trip tracking that actually exceeds District requirements in order to ensure all pieces of field trip procedures are in place prior to a trip. In the past, the principal's designee, the assistant principal, was assigned to ensure all supporting procedures and documentation was in place. Moving forward the principal will sign off on field trips.*

**U.B. Kinsey/Palmview Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 800 11th Street  
West Palm Beach, FL 33401

Principal:  
Fiscal Year 2017: Adrienne Howard  
During Audit: Adrienne Howard

Treasurer:  
Fiscal Year 2017: Vernisa Ayers  
During Audit: Erin Lusaka

Afterschool Site Director:  
Fiscal Year 2017: Cynthia Stubbs  
During Audit: Cynthia Stubbs

**Cash and Investments**

Checking	\$ 40,211.83
Investments	
	\$ 40,211.83

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	20,626.81	91,378.96	99,959.70	11,777.48	11,277.48	12,546.07
Classes	4,006.21	11,072.65	10,309.11	3,313.00	3,313.00	4,769.75
Clubs	10,999.94	21,956.40	21,207.54	9,877.03	9,624.73	12,001.10
Departments	654.02	136.69	585.67	0.00	0.00	205.04
Trusts	20,843.61	155,712.51	166,169.73	22,735.27	22,917.27	10,204.39
General	2,932.27	6,360.31	8,236.80	1,374.31	1,944.61	485.48
	\$ 60,062.86	\$ 286,617.52	\$ 306,468.55	\$ 49,077.09	\$ 49,077.09	\$ 40,211.83

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of records for sample disbursements and P-Card purchases found that:

- Disbursements #6133 (for \$107.65) was a reimbursement to a teacher for purchase of food for students. However, two other reimbursements (#6135 for 163.03 and #6283 for \$473.13) included the same food receipt. Consequently, the employee was reimbursed three times for the same receipt. Moreover, Disbursement #6264 (for \$468) was a reimbursement to the same teacher that included a \$168 invoice, which had been paid with *School Check* #6236. As a result, the employee was overpaid by a total of 380.30 ( $\$107.65 \times 2 + \$168$ ).
- Disbursement #6276 (for \$300) was for payment of DJ services during an Afterschool event on April 10, 2017. Disbursement #6259 (for \$1,600) was for set construction of the 2017 Spring Show. However, neither engagement of the two consultants had a *School District Consultant Agreement (PBSD 1420)*.
- Disbursement #6155 (for \$6,390) was a payment for fundraiser resale products. However, the expense was supported by an account statement instead of an itemized invoice.

### Recommendation

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual, Chapter 24)*, and related District guidelines. Specifically,

- The school should recoup the \$383.30 overpayment from the employee.
- To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the School District Consultant Agreement (PBSD 1420) should be properly executed with all the required dated signatures, and (2) the consultant's background and clearance checks must have been cleared as required by Section 8 of the Agreement and *Florida Statutes §1012.465 (Jessica Lunsford Act)*.
- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.

### Management's Response

*Concur. Ensure that there are consultant contracts completed and all Purchasing Card Procedures guidelines are reviewed and recoup overpayment from employee.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that the school did not maintain (1) the *Document Custodian Assignment Register (PBSD 1663)*, and (2) the *Prenumbered Document Inventory Register (PBSD 0160)* for school checks.

### Recommendation

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*, a custodian for prenumbered forms should be someone who is not involved in the day-to-day use of the form. Each assigned document custodian shall use the *Prenumbered Document Inventory Register (PBSD 0160)* to perform the periodic inventory of the prenumbered forms.

### Management's Response

*Concur. Follow the district guidelines and ensure that all the document custodian is trained each year.*

## AFTERSCHOOL PROGRAM

### Finding

The review of Afterschool Program records found that:

- The parent/guardian did not sign the required *Afterschool Programs Registration Form* for four of five sample students.
- The EZ-Care database (the Afterschool Program's accounting systems) contained numerous clerical errors in updating the fees due and credits. Consequently, there is no assurance that the reported balance for each family ledger was accurate:
  - As of June 30, 2017, the Afterschool Program had an accounts receivable balance of \$6,529.60 from 28 student accounts. Also, \$3,208.90 (or 49%) of the balance was past due over 90 days.
  - The school's 2017 Summer Camp Program had an account receivable balance of \$18,788.07 as of January 17, 2018 (five months after program ended) from 46 student accounts.

### **Recommendation**

The Afterschool Program should be administered in accordance with District's guidelines and the *Afterschool Programs Operational Manual* and *Summer Camp Operational Manual*. Specifically,

- To protect the best interests of students, the Afterschool Programs Registration Form for each student should be completed with all the needed information and signed by the parent/guardian.
- To ensure proper fiscal accountability, Afterschool Program financial transactions should be accurately recorded in the EZ Care database and periodically reconciled to the Internal Funds records. The school should make adjustments to correct the records.

### ***Management's Response***

*Concur. Administration will meet with District personnel and the school's Aftercare Director to discuss findings and place the director on a performance plan.*

**Verde Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 6590 Verde Trail  
Boca Raton, FL 33433

Principal:  
Fiscal Year 2017: Seth Moldovan  
During Audit: Seth Moldovan

Treasurer:  
Fiscal Year 2017: Marie Steffes  
During Audit: Marie Steffes

Afterschool Site Director:  
Fiscal Year 2017: Marie Schonger  
During Audit: Marie Schonger

**Cash and Investments**

Checking	\$ 30,151.64
Investments	
	\$ 30,151.64

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	0.00	11,263.50	8,441.13	340.00	3,162.37	0.00
Clubs	9,582.86	19,928.60	26,403.65	8,270.75	5,379.85	5,998.71
Departments	5,321.62	12,110.84	11,629.67	4,604.64	4,374.41	6,033.02
Trusts	16,253.09	669,290.28	666,817.56	8,227.71	11,701.88	15,251.64
General	2,528.06	14,276.79	17,111.99	6,401.51	3,226.10	2,868.27
	\$ 33,685.63	\$ 726,870.01	\$ 730,404.00	\$ 27,844.61	\$ 27,844.61	\$ 30,151.64

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

Disbursement #14414 (for \$400) was for an Author's Presentations to 4<sup>th</sup> Grade students. However, the engagement of this consultant did not have a *School District Consultant Agreement (PBSD 1420)*.

### **Recommendation**

To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) the consultant's background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465 (Jessica Lunsford Act)*.

### **Management's Response**

*Concur. All consultant agreements will be signed by the required dates.*

**Village Academy School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 400 SW 12th Avenue  
Delray Beach, FL 33444

Principal:  
Fiscal Year 2017: Latoya Dixon  
During Audit: Latoya Dixon

Treasurer:  
Fiscal Year 2017: Dawne Girtman  
During Audit: Dawne Girtman

**Cash and Investments**

Checking	\$ 99,256.97
Investments	
	\$ 99,256.97

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 2,901.42	\$ 17,396.79	\$ 25,614.46	\$ 12,839.95	\$ 7,523.70	\$0.00
Music	0.48	0.00	0.00	0.00	0.48	0.00
Classes	2,914.18	21,814.63	20,823.29	1,332.50	2,698.21	2,539.81
Clubs	5,697.98	4,713.00	5,717.25	3,353.20	1,992.51	6,054.42
Departments	1,050.55	5,361.38	5,113.74	2,043.00	2,111.97	1,229.22
Trusts	48,853.25	182,057.39	136,848.92	8,252.94	14,336.26	87,978.40
General	1,387.74	1,308.33	2,082.49	904.54	63.00	1,455.12
	\$ 62,805.60	\$ 232,651.52	\$ 196,200.15	\$ 28,726.13	\$ 28,726.13	\$ 99,256.97

## DEPOSIT OF MONIES

### Finding

The review of money collection process and sampling of *Monies Collected Reports* (MCRs) at the school found that:

- The incoming mails were sorted and distributed by staff other than the school treasurer. However, we noted during the audit that mails addressed to the treasurer were given to her for opening.
- Monies collected were not always deposited into the drop-safe in a timely manner. For example, \$566 collected through four MCRs (#523-0483, #523-0484, #547-0811, and #504-0192) were retained by the sponsors for one to two working days before the monies were put in the safe for deposit.
- Some sponsors did not attach the Official Receipts to the yellow copies of the MCRs when submitting these documents to the school secretary for record retention at the end of the school year.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Incoming mails should be received and opened by different staff members. Payments, if any, received in the mails should be recorded on a *Monies Collected Report* (MCR) by the staff who opens the mail, prior to placing the collection into the drop-safe.
- *DOE Rules* and *Internal Accounts Manual* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could result in unintended irregularities.
- As required by the *Sponsor's Checklist of Responsibilities* in the *Internal Accounts Manual, Chapter 7*, Teacher/sponsors should "*compare the yellow copy of the MCR against the official receipt to confirm that funds were properly credited to the school's accounting records.*"

### Management's Response

*Concur. Teachers will be retrained. The training will consist of reviewing the sponsors checklist of responsibilities. Additional DOE Rules will be included in the training regarding accounting and reporting. An incoming mail log has been created and implemented. The log will indicate who*

*received and opened the mail which includes completing the MCR by the staff before recording on the log. Weekly communication to staff about depositing funds.*

## **DOCUMENTATION FOR FUNDRAISERS**

### **Finding**

The review of sample fundraiser records revealed that:

- The P.E. Uniforms Sales (Account #5-1900.01) did not have the required *Sales Item Inventory Report*. Without sales information such as selling prices, quantities sold, and inventory counts, there is no assurance that all the monies collected were properly accounted for. The sponsor also noted that some uniforms were given away to needy students. However, there was no documentation for the given-away items.
- The Yearbook Sales (Account #4-6390.00) did not have the required *Sales Item Inventory Report*. A total of \$1,095 in sales revenues was deposited into the Internal Funds during September 16, 2016, through June 22, 2017. Based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of \$1,758. As a result, \$663 (38%) in estimated revenue was unaccounted for. Moreover, the yearbooks were sold for \$35 each and it was below the cost of \$37.56.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- The *Sales Item Inventory Report* for each fundraiser should be prepared and completed with accurate information. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing.
- To ensure fiscal accountability, staff should monitor revenues and expenditures closely for the yearbook fundraiser.

### **Management's Response**

*Concur. Retrain staff wo conduct fundraisers. Ensure that after each fundraiser the sales inventory form is completed and reviewed by the principal. Accounts for fundraiser will be reviewed periodically with the bookkeeper, sponsor and principal.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card records found that:

- Disbursement #12416 (for \$2,001.60) was supported by a handwritten Master Order Form, but did not include a paid receipt. Moreover, the Master Order Form was not defaced (stamped “PAID”) after the payment in order to prevent duplicate payments.
- Disbursement #12305 (for \$338.76) was for an employee reimbursement for per diem, mileage and tolls to attend two conferences in Orlando: one during July 7 through 9, 2015, and the other one during July 5 through 8, 2016. However, we noted the following inconsistencies:
  - The *Out-of-County Travel Reimbursement Claim Forms (PBSDC 0096)* for both the 2015 and 2016 trips were not approved by the Principal.
  - The sponsor’s *Temporary Duty Elsewhere Form (TDE)* for the 2015 trip was missing. Moreover, the TDE for the 2016 trip was not approved by the Principal and the Regional/Instructional Superintendent.
  - The 2015 *Out-of-County Travel Reimbursement Claim Form* was not submitted timely. Pursuant to ***School Board Policy 6.01***, reimbursement reports for months other than June should be submitted no later than the last day of the subsequent month following the month of travel. The reimbursement claim for July 2015 should have been submitted before August 31, 2015. Instead, it was submitted 11 months later in July 2016.
- Disbursement #12570 (for \$9,600) was for field trip expenses to Washington, DC. However, the *Field Trip Request Form* was not approved by the Principal and the Regional/Instructional Superintendent. Furthermore, the sponsor’s *TDE* form was not approved by the Regional/Instructional Superintendent.
- A P-Card transaction (for \$455.02) on July 9, 2016, was for lodging of two employees during the July 6-8, 2016 conference in Orlando. However, the related *TDE* form for one employee was missing.

### Recommendation

Disbursements should be administered in accordance with ***Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)***, and the related District guidelines. Specifically,

- To ensure that purchases are appropriate, purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- Travel reimbursements should be submitted timely in accordance with ***School Board Policy 6.01***.
- Field trips should be conducted in accordance with ***School Board Policy 2.40*** and related District guidelines. A *Field Trip/Activity Planning Report and Approval Request* and TDEs must be completed by the sponsor and pre-approved by the Principal and other appropriate supervisors, depending on the field trip destination.
- To avoid potential duplicated payments, supporting documentation should be defaced (stamped "PAID") after payment was made.

### ***Management's Response***

*Concur. Disbursements and purchasing policies will be followed. Field trips will be conducted as outlined in the policy. Corrections will be made immediately. Retraining of staff on procedures for submitting TDEs and field trips. Reminders and checklist added to staff weekly newsletter on procedures.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The review of records for leasing of school facilities found that:

- *Lease Agreement* #1008 was not executed with all the required signatures in a timely manner. The lessee and witness did not sign the *Agreement* until two days after the leasehold period began.
- Charges for two leases (#s 1008 and 1011) were not collected from the lessees until three days after the leasehold periods began.

### **Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- *Lease Agreement* should be executed with the required dated signatures prior to the lessees' use of the facilities.

- **School Board Policy 7.18**, requires that “*Fees are to be paid by check or credit card (no cash) at least forty-eight (48) hours prior to the use of a facility.*”

***Management’s Response***

*Concur. Effective immediately, all guidelines will be followed as outlined with school board policy. All payments and lease agreements will be signed in timely manner according to school board policy.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that:

- The *Document Custodian Assignment Register (PBSD 1663)* was not maintained.
- The *Document Custodian* did not perform the required monthly inventory of school checks. Instead, the treasurer prepared the *Prenumbered Document Inventory Register (PBSD 0160)* for school checks at the end of the school year, to be signed by the Document Custodian.

**Recommendation**

To ensure proper fiscal accountability and as required by **Chapter 27 of the Internal Accounts Manual**, a custodian for prenumbered forms should be someone who is not involved in the day-to-day use of the form; and each assigned document custodian shall use the *Prenumbered Document Inventory Register (PBSD 0160)* to perform the periodic inventory of the prenumbered forms.

***Management’s Response***

*Concur. An employee has been assigned the duty of maintaining the proper forms (#0160 and #1663). All protocols will be followed immediately.*

**Washington Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1709 West 30th Street  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2017: Sandra Edwards  
During Audit: Sandra Edwards

Treasurer:  
Fiscal Year 2017: Cynthia Kunjbehari  
During Audit: Bridget McKnight

Afterschool Site Director:  
Fiscal Year 2017: Demetria White  
During Audit: Demetria White

**Cash and Investments**

Checking	\$ 15,983.68
Investments	
	\$ 15,983.68

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,714.83	0.00	1,312.67	0.00	402.16	0.00
Classes	578.92	4,881.08	4,758.08	1,696.28	1,571.28	826.92
Clubs	1,280.34	15,516.13	13,397.44	4,460.60	6,547.85	1,311.78
Departments	170.73	343.00	161.76	0.00	242.23	109.74
Trusts	9,162.28	54,420.05	56,886.26	3,642.44	1,438.86	8,899.65
General	1,448.96	8,108.84	5,125.27	2,457.13	2,054.07	4,835.59
	\$ 14,356.06	\$ 83,269.10	\$ 81,641.48	\$ 12,256.45	\$ 12,256.45	\$ 15,983.68

## ACCOUNTS PAYABLE

### Finding

As of June 30, 2017, the school had a total debt of \$6,075.16 (or 38% of Fund Balance), payable to the Central Office. Of the \$6,075.16 in debts, \$5,498.26 was more than 90 days past due. \$4,425.94 (or 27% of Fund Balance) was past due from 30-90 days during the time of the audit

### Recommendation

The school should (1) develop a payment plan to resolve the issue of unpaid debt, and (2) timely process all invoices received in accordance with *Florida Statutes, Chapter 218, Local Government Prompt Payment Act*.

### Management's Response

*Concur. Lack of training; new bookkeeper has been assigned to a FAST Team member to ensure proper training in order to avoid delinquent invoices.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- There was no *Fundraising Application/Recap* or *Sales Item Inventory Report* for the Media Club Snack Sale (Account #4-0475.01). Also, expenditures unrelated to the resale activity were recorded in this fundraising account.
- There was no *Sales Item Inventory Report* for the PE Drinks (Account #5-1900.03). Although the drinks were donated, a *Sales Item Inventory Report* should still be completed to show the number of drinks available to sell, the number of drinks sold, given-away, or remaining in ending inventory, the price for which the drinks are sold, and the total proceeds for the fundraiser.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- *Fundraising Application/Recap* forms should be accurately completed in complying with District procedures. *Sales Item Inventory Reports* should be completed with the needed information so that staff can reconcile sales revenues and account for items purchased, given away, or remaining in inventory.

- To assist the school in evaluating and monitoring the performance of individual fundraisers, a separate decimalized account should be established for each fundraiser. The fundraiser account should include only the financial information related to that fundraiser.

### ***Management's Response***

*Notified all sponsors to review fundraising trainings to ensure all documentation is completed.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

The review of sample disbursements and P-Card purchases found that:

- Two disbursements (#11857 for \$1,710.28 and #11860 for \$1,956) did not have any supporting documentation for the expenses.
- Disbursement #11870 (for \$1,300) was for payment to a vendor who provided a water slide and other activities for the Shark Cove event. The disbursement was supported by a *Consultant Agreement*. However, the Event Contract was signed by the assistant principal instead of the Principal.
- One P-Card purchase in February 2017 (for \$2,174.50) exceeded the daily limit of \$1,000 per vendor without obtaining prior approval from the Purchasing Department.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual*, *Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- All disbursements should be supported with *Check Requisitions* and invoices or itemized receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- All contracts should be approved by the Principal as required by *School Board Policy 6.14(4)*, which states “*the School Board has delegated limited authority to ... School Principals relating to the purchase of commodities and contractual services ...*”
- P-Card purchases in excess of \$1,000 require prior approval from the Purchasing Department.

***Management's Response***

*Concur. Itemized receipt was not attached to check requisition. Receipts are to be submitted when check requisitions are submitted.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The SchoolCash Accounting system indicated that leasing fees were collected for Lease #1001. However, the school did not have the hard copy of *Lease Agreement* with all the required signatures.

**Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically, signed "Issued" or "Completed" copies of leases should be kept on file at the school.

***Management's Response***

*Concur. Print out all leases as they are approved.*

**PRENUMBERED DOCUMENTS**

**Finding**

The school did not maintain the *Document Custodian Assignment Register (PBSD 1663)*.

**Recommendation**

To ensure proper fiscal accountabilities and as required by ***Chapter 27*** of the ***Internal Accounts Manual***, designated staff should be assigned as document custodians for each prenumbered form, and the assignments should be recorded on the *Document Custodian Assignment Register (PBSD 1663)*.

***Management's Response***

*Concur. Designated main location to store document custodian assignment register to ensure new document custodian will be able to locate documents and continue logging documents.*

**Waters Edge Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 21601 Shorewind Drive  
Boca Raton, FL 33428

Principal:  
Fiscal Year 2017: Joshua Davidow  
During Audit: Joshua Davidow

Treasurer:  
Fiscal Year 2017: Eileen Cuffari  
During Audit: Eileen Cuffari

Afterschool Site Director:  
Fiscal Year 2017: Marie Schonger / Patricia Mula  
During Audit: Patricia Mula

**Cash and Investments**

Checking	\$ 53,436.94
Investments	
	\$ 53,436.94

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	721.00	719.99	0.00	1.01	0.00
Classes	0.00	62,680.00	57,328.77	5,094.03	10,445.26	0.00
Clubs	0.00	370.00	571.00	201.00	0.00	0.00
Departments	7,181.06	22,737.43	27,692.07	22,346.78	22,860.48	1,712.72
Trusts	18,607.13	770,288.70	749,204.99	18,410.16	22,189.13	35,911.87
General	11,878.38	23,298.15	28,808.09	24,043.91	14,600.00	15,812.35
	\$ 37,666.57	\$ 880,095.28	\$ 864,324.91	\$ 70,095.88	\$ 70,095.88	\$ 53,436.94

Waters Edge Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Wellington Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 13000 Paddock Drive  
Wellington, FL 33414

Principal:  
Fiscal Year 2017: Maria Vaughan  
During Audit: Maria Vaughan

Treasurer:  
Fiscal Year 2017: Laurie Maglocco  
During Audit: Laurie Maglocco

Afterschool Site Director:  
Fiscal Year 2017: Lindsay Oerter  
During Audit: Nicole Ankeney

**Cash and Investments**

Checking	\$ 68,543.18
Investments	
	\$ 68,543.18

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	345.14	10,564.75	6,549.81	7,533.05	7,533.05	4,360.08
Classes	841.32	17,778.84	16,754.48	4,248.21	4,923.71	1,190.18
Clubs	0.00	280.00	220.51	0.00	0.00	59.49
Departments	10,690.77	25,586.16	29,343.96	5,950.55	5,950.55	6,932.97
Trusts	30,679.67	444,600.82	427,714.22	18,711.60	19,899.30	46,378.57
General	9,722.02	6,772.22	8,735.55	3,073.88	1,210.68	9,621.89
	\$ 52,278.92	\$ 505,582.79	\$ 489,318.53	\$ 39,517.29	\$ 39,517.29	\$ 68,543.18

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of sample fundraiser records revealed that the *Purchase & Sale Agreement* for the sale of Yo-Yo Fundraiser (Account #7.0100.03) was signed by the sponsor, instead of the Principal.

### **Recommendation**

All contracts should be approved by the Principal as required by ***School Board Policy 6.14(4)***, which states “*the School Board has delegated limited authority to ... School Principals relating to the purchase of commodities and contractual services ...*” and “*No person, unless specifically authorized to purchase commodities or contractual services under School Board policies, may make any purchase or enter into any contract involving the use of school or School District funds.*”

### **Management’s Response**

*Concur.*

## PRENUMBERED DOCUMENTS

### **Finding**

The review of controls in prenumbered documents found that the Afterschool Program Director was the designated custodian for *SACC Receipts (PSBSD 1438)*, although she was the primary user of the receipts.

### **Recommendation**

To ensure proper segregation of duties and as required by ***Chapter 27 of the Internal Accounts Manual***, the custodian for prenumbered form should be someone who is not involved in the day-to-day use of the form. The designated custodian for *SACC Receipts* should not be the Afterschool Program Director.

### **Management’s Response**

*Concur. Bookkeeper is now the custodian of receipt books.*

**West Gate Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1545 Loxahatchee Drive  
West Palm Beach, FL 33409

Principal:  
Fiscal Year 2017: Patricia Ordonez-Feliciano  
During Audit: Patricia Ordonez-Feliciano

Treasurer:  
Fiscal Year 2017: Lissette Miranda  
During Audit: Lissette Miranda

Afterschool Site Director:  
Fiscal Year 2017: Lisdey Padron  
During Audit: Lisdey Padron

**Cash and Investments**

Checking	\$ 13,250.82
Investments	
	\$ 13,250.82

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	310.99	0.00	0.00	0.00	0.00	310.99
Classes	443.77	13,846.68	12,462.15	3,090.10	3,090.10	1,828.30
Clubs	3,561.29	7,561.05	8,257.36	2,469.75	3,163.86	2,170.87
Departments	1,248.70	9,216.32	9,417.78	389.61	389.61	1,047.24
Trusts	9,741.07	96,615.52	101,125.35	1,524.17	923.15	5,832.26
General	1,044.20	4,988.60	4,064.73	2,593.88	2,500.79	2,061.16
	\$ 16,350.02	\$ 132,228.17	\$ 135,327.37	\$ 10,067.51	\$ 10,067.51	\$ 13,250.82

West Gate Elementary School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliances.

**West Riviera Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1057 West 6th Street  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2017: Tonja Lindsey-Latson / Willie Nelson  
During Audit: Robin Brown

Treasurer:  
Fiscal Year 2017: Kerri McDonald-Rodgers  
During Audit: Kerri McDonald-Rodgers

**Cash and Investments**

Checking	\$ 4,526.48
Investments	
	\$ 4,526.48

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	0.00	9,577.51	7,694.52	1,932.99	2,082.99	1,732.99
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	22.23	509.50	503.59	28.14	28.14	28.14
Trusts	373.93	31,760.71	29,519.29	922.22	772.22	2,765.35
General	377.33	13,958.68	14,336.01	0.00	0.00	0.00
	\$ 773.49	\$ 55,806.40	\$ 52,053.41	\$ 2,883.35	\$ 2,883.35	\$ 4,526.48

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- *Section 1* of the *Drop-safe Log* (page #14-07682) was not completed with the teacher/sponsor signature.
- *Sections 2* and *3* of one entry on the *Drop-safe Log* (page #14-07866) was not completed with the required information.
- *Section 3* for three entries on two pages of the *Drop-safe Log* (#s 14-07686, and 14-07699) were not signed by the staff verifier to confirm the treasurer's entering the deposit information into the Internal Funds Accounting System.
- Monies collected were not always deposited into the drop-safe in a timely manner. For example, \$240 collected through MCR #551-15 was retained by the sponsor for one working day before the money was put into the drop-safe for deposit.
- Some activity sponsors did not always retain the yellow copies of the MCRs when turning in the monies and MCRs to the bookkeeper for deposit. Instead, the yellow copies were also provided to the bookkeeper.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- As required by *Bulletin #P-14051-S/CFO*, (1) the treasurer and an independent staff should jointly verify the contents of the safe against *Section 2* of the *Log* to confirm that the deposits from the safe were removed by the treasurer for processing, and (2) the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- *DOE Rules* and *Internal Accounts Manual* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could result in unintended irregularities.

West Riviera Elementary School  
Management Letter  
Year Ended June 30, 2017

- As required by *Bulletin #P-14051-S/CFO*, activity sponsors should keep the yellow copy of the MCR, instead of giving it to the bookkeeper with the monies collected. Keeping a copy of the MCR will assist the sponsors in (1) ensuring that the dollar amount indicated on the *Official Receipt* provided by the bookkeeper agrees with the monies collected and submitted for deposit, (2) tracking the account balance periodically, and (3) providing documentation for the amount of revenue collected if recording errors should occur.

***Management's Response***

*[Current Principal] I was not the Principal during the 2016-2017 school year. As Principal of the school this year 2017-2018, I will monitor the process to insure compliance with district policy.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser documentation revealed that:

- The recap portion of the *Fundraising Application/Recap Form* for the Book Fair fundraiser (Account #5-1700.01) was neither completed by the sponsor nor verified by the treasurer.
- The recap portion of the *Fundraising Application/Recap Form* for the Jump Rope for Heart (Account #7-0100.01) indicated that actual sales revenue was \$146. However, only \$126 was recorded in the school's accounting system. As a result, \$20 (14%) was unaccounted for. In addition, the Recap was not verified by the treasurer.

**Recommendation**

Fundraisers should be administered in accordance with **School Board Policy 2.16** and the related District guidelines. Specifically, failure to prepare the related reports for fundraisers defeat the purpose of controls and could result in potential loss of school assets.

***Management's Response***

*[Current Principal] I was not the Principal during 2016-2017 school year. As Principal this year 2017-2018, I will monitor the process/procedure to insure compliance to district policy.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of leasing records at the school found that:

- The school's leasing income was understated in the Tririga System by a net amount of \$1,150.90 for the following reasons:
  - Leases #1002 (for \$533.50) and #1003 (for \$673.40) had statuses of "Review in Progress," and Lease #1009 (for \$829) had a status of "Draft." As a result, \$2,035.90 in payments for these Leases were not recorded in the Tririga System.
  - The leasing information for Lease #1006 was recorded in the Tririga System, but the school did not collect payment for this lease. According to staff, this lease was cancelled. However, the original lease was neither revised nor cancelled in the Tririga System. As a result, the Tririga System overstated the school's leasing income by \$885.
- Leasing charges for four *Lease Agreements* (#1004, #1005, #1007 and #1008) were not collected prior to the use of facilities. Payments were received in the subsequent fiscal year, with delays ranging from 45 to 85 days.
- Leasing charges were not collected prior to the use of facilities. Also, the District's share of rental and utility charges was not transmitted to the Central Office by December 30<sup>th</sup> and June 30<sup>th</sup>, as required. Specifically,
  - Rental fees totaling \$11,969.61 were collected during Fiscal Year 2017 which included \$9,886.50 from two leases from Fiscal Year 2016 (#1008 and #1009). Moreover, \$208 in utility fees were inadvertently recorded in the rental income account. As a result the school under-allocated and under-transmitted \$208 in utility fees to the Central office.
  - Payments totaling \$16,856.80 for five *Lease Agreements* for facilities use in Fiscal Year 2017 (#1004, #1005, #1007, #1008, and #1009) were not collected until Fiscal Year 2018. Again, \$11,293.13 in utility fees were inadvertently recorded in the rental income account. As of February 8, 2018, the school had not transmitted the \$11,293.13 in utility fees to the Central Office.
- The school did not have an executed copy of four *Lease Agreements* (#1002, #1003, #1006, and #1009).

West Riviera Elementary School  
Management Letter  
Year Ended June 30, 2017

- Four *Lease Agreements* (#1004, #1005, #1007, and #1008) were not executed with all the required signatures prior to the use of facilities. Delays of signatures ranged from 14 to 50 days.

### **Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- Leasing information should be accurately recorded in the Tririga System; and the record should be updated for contract amendments, fee waivers, and cancellations.
- As required by ***School Board Policy 7.18***, “*fees are to be paid by check or credit card at least forty-eight (48) hours prior to use of a facility.*”
- To facilitate timely and accurate payment of utility and other leasing related fees to the Central Office, leasing revenues should be allocated in accordance with the ***Approved Rate Schedule***.
- To ensure *Lease Agreements* are legally enforceable, they should be properly executed with all the required signatures. The school should also maintain a hard copy of the executed *Lease Agreement* for future reference, in addition to recording leasing activities in the Tririga System.

### ***Management’s Response***

*[Current Principal] I was not the Principal during the 2016-2017 school year. As Principal of the school this year 2017-2018, I will monitor the process to insure compliance with district procedures.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of controls in prenumbered documents found that the school did not maintain the following records:

- *Document Custodian Assignment Register (PBSD 1663).*
- *Prenumbered Document Inventory Register (PBSD 0160) for School Checks and Classroom Receipts.*

West Riviera Elementary School  
Management Letter  
Year Ended June 30, 2017

### **Recommendation**

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*,

- A designated document custodian should be assigned for each prenumbered form. The assignment should be recorded on the *Document Custodian Assignment Register* (PBSD 1663) accordingly.
- To ensure all prenumbered documents are properly accounted for, the document custodian should complete the monthly inventory of the *Drop-safe Logs* and *School Checks* through the *Prenumbered Document Inventory Register* (PBSD 0160).

### **Management's Response**

*[Current Principal] I was not the Principal during the 2016-2017 school year. As Principal of the school this year 2017-2018, I will monitor the process to insure compliance with district procedures.*

**Westward Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1101 Golf Avenue  
West Palm Beach, FL 33401

Principal:  
Fiscal Year 2017: Bobbie Brooks  
During Audit: Bobbie Brooks

Treasurer:  
Fiscal Year 2017: Gwen Hutley  
During Audit: Blanca Figueroa

Afterschool Site Director:  
Fiscal Year 2017: Zipporah Morris  
During Audit: Zipporah Morris

**Cash and Investments**

Checking	\$ 23,486.64
Investments	
	\$ 23,486.64

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	4,658.75	10,387.50	11,988.59	5,273.43	5,155.43	3,175.66
Clubs	1,571.91	19,070.36	15,818.00	3,252.36	4,676.82	3,399.81
Departments	2,027.48	2,336.73	1,923.77	5.74	5.74	2,440.44
Trusts	11,060.13	111,485.49	111,063.43	3,986.87	2,562.41	12,906.65
General	2,625.78	3,646.95	4,590.65	1,466.29	1,584.29	1,564.08
	\$ 21,944.05	\$ 146,927.03	\$ 145,384.44	\$ 13,984.69	\$ 13,984.69	\$ 23,486.64

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found the following discrepancies for two PTO fundraisers (1) Wooden Roses sales (Account #6-3300.05) and (2) Domino Pizza Sales (Account #6-3300.03):

- The sponsor did not complete the required eLearning Fundraiser Training because she is a parent, and does not have online access to the District training. According to staff, an employee logged on and provided the parent access to the training. The sponsor subsequently signed a statement confirming completion of the training. However, this signed statement was not available at the time of the audit.
- The *Sales Item Inventory Report* was missing for both fundraisers. Moreover, the Recap portion of the *Fundraiser Application/Recap* form was not completed for the Wooden Roses Sales.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- Fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.
- *Sales Item Inventory Reports* should be fully completed with accurate information. Accurate sales records should assist staff in (1) reconciling sales revenues and (2) tracking items purchased, given-away, or remained in inventory. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

### Management's Response

*Concur. Moving forward we will have a staff member sign off and oversee all fundraisers for PTO.*

## DOCUMENTATION OF DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card transaction records found that three P-Card purchases (totaling \$1,786.77) during December 2016 included a total of \$66.12 in sales tax.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. The School District is sales tax-exempt governmental entity, and should not pay sales tax for qualified purchases.

### **Management's Response**

*Concur. Email to P-card holders for review of the tax exempt policy. Request for bookkeeper to alert myself and purchasing when tax is paid for the corrections to be made.*

## **AFTERSCHOOL PROGRAM**

### **Finding**

The *Early Learning Coalition Attendance (ELC)* report for April 2017 was not submitted for reimbursement. During Fiscal Year 2017, the average monthly subsidy payment was \$13,180. Consequently, the school did not receive the estimated \$13,180 in ELC subsidy reimbursement for April 2017. As of August 18, 2017, the Afterschool Program Director was working with ELC to submit the documentation in order to receive the reimbursement for April 2017.

### **Recommendation**

Afterschool Program should be administered in accordance with District's guidelines and *Afterschool Programs Operational Manual*. Specifically, attendance reports for subsidized students must be submitted through the *Early Learning Coalition* portal no later than the third business day of the month following the month services were provided.

### **Management's Response**

*Concur. Afterschool director has corrected this and explained usually reminders are given but for this particular month she neglected due to not receiving the reminder.*

**Whispering Pines Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 9090 Spanish River Boulevard  
 Boca Raton, FL 33496

Principal:  
 Fiscal Year 2017: Barbara Reimer  
 During Audit: Barbara Reimer

Treasurer:  
 Fiscal Year 2017: Deborah DeBilzan / Celia Lafferty  
 During Audit: Celia Lafferty

Afterschool Site Director:  
 Fiscal Year 2017: Alexandra Vital  
 During Audit: Alexandra Vital

**Cash and Investments**

Checking	\$ 75,250.80
Investments	
	\$ 75,250.80

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	533.46	132.00	150.00	0.00	0.00	515.46
Classes	5,171.00	58,575.17	55,071.55	11,191.09	12,864.88	7,000.83
Clubs	836.13	2,583.95	2,686.74	0.00	85.00	648.34
Departments	13,268.19	37,648.49	36,233.84	24,430.21	24,113.41	14,999.64
Trusts	38,632.66	587,802.39	571,456.12	13,199.03	15,613.91	52,564.05
General	1,224.00	1,788.69	7,347.08	4,702.87	846.00	( 477.52)
	\$ 59,665.44	\$ 688,530.69	\$ 672,945.33	\$ 53,523.20	\$ 53,523.20	\$ 75,250.80

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- The staff verifier did not sign *Section 3* of two pages (#s 14-24101 and 14-24102) of the *Drop-safe Log*. Consequently, there was no confirmation of deposit information entered by the treasurer into the accounting system.
- Monies collected were not always dropped off into the drop-safe in a timely manner. For example, \$13,780.77 collected through 12 MCRs (#897-32, #865-4, #865-5, #865-18, #865-21, #865-6, #866-2, #903-11, #909-3, #905-6, #905-5, and #923-10) were retained by the sponsors for one to seven working days before the monies were put in the safe for deposit.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO*, accurate deposit information should be recorded on the *Drop-safe Log*.
- *DOE Rules* and *District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsors to unwarranted exposure and result in potential irregularities.

### Management's Response

*Concur. We understand that the drop safe logs showing nonsequential dates is a concern and understand the finding. We will follow the recommendations to correct this as soon as possible.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The *Sales Item Inventory Report* for the Yearbook Sales (Account #5-2701.01) was not reviewed and approved by the Principal. Moreover, the *Report* indicated that eight yearbooks with a total estimated resale value of \$280 were given-away without any documentation.

### Recommendation

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and the related District guidelines. Specifically, the *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing.

### Management's Response

*Concur. In reviewing the documentation with you I see where my signature is absent in the final recap of the paperwork. We will follow the recommendation made to correct this and have already spoke to the sponsors who hold fundraisers to make sure that the paperwork is in order moving forward.*

## DOCUMENTATION OF DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card records found that:

- Disbursement #9191 (for \$300) for a consultant engagement was supported by a *School District Consultant Agreement (PBSD 1420)*. However, the expense did not have an itemized invoice indicating the actual services.
- Disbursement #9148 (for \$7,839) was for payment of meal expenses for an Out-of-County 5th Grade Student field trip to Kennedy Space Center. However, the required *Temporary Duty Elsewhere (TDE) Forms* for staff were not approved by the Regional/Instructional Superintendent.

Whispering Pines Elementary School  
Management Letter  
Year Ended June 30, 2017

- Supporting documentation was not always defaced (stamped “PAID”) after payment. For example, the supporting documents for four sample disbursements (#s 9125, #9134, #9122, and #9252, totaling \$22,776.50) were not defaced after payments.

### **Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual* and related District guidelines. Specifically,

- To ensure that expenditures are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- Field trips should be administered in accordance with *School Board Policy 2.40*. Specifically, (1) field trips should be pre-approved by the Principal with adequate documentation, (2) in-county field trips should be approved by the Principal, and (3) out-of-county field trips should be approved by the Principal and Regional/Instructional Superintendent.
- To avoid duplicate payments, supporting documentation should be defaced (stamped “PAID”) after payment.

### **Management’s Response**

*Concur. After discussing with you this concern I now better understand what is needed when completing services with consultants and/or vendors. We will follow the recommendations made to correct this immediately. Having TDEs completed for field trips in a timely manner beforehand has been addressed with the faculty and staff. This has been reviewed with our current bookkeeper who will ensure that all documents are marked accordingly.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The review of records for school facility leasing found that:

- The leasing information for Lease #1040 was recorded in the Tririga System. However, the school did not collect payment for this lease. According to staff, this lease had an *Interlocal Agreement* but the waiver was not recorded in the Tririga System. As a result, the school’s leasing income was overstated by \$720 in the Tririga system.

Whispering Pines Elementary School  
Management Letter  
Year Ended June 30, 2017

- Leasing charges for Lease #1047 were not paid until four days after the leasehold period began.

**Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- Leasing information should be accurately recorded in the Tririga System; and the record should be updated with new information such as fee waivers and amendments in leasing arrangements.
- ***School Board Policy 7.18***, requires that “*Fees are to be paid by check or credit card (no cash) at least forty-eight (48) hours **prior to** the use of a facility.*”

***Management’s Response***

*Concur. This was an error on our part and has already been corrected in our procedures with leasing. This too has been corrected. Our school secretary no handles all leases and follows the district procedures and policies regarding leasing.*

**Wynnebrook Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1167 Drexel Road  
West Palm Beach, FL 33417

Principal:  
Fiscal Year 2017: Suzanne Berry  
During Audit: Suzanne Berry

Treasurer:  
Fiscal Year 2017: Edna Legister-Minor  
During Audit: Claire Salado

Afterschool Site Director:  
Fiscal Year 2017: Adam Laing  
During Audit: Adam Laing

**Cash and Investments**

Checking	\$ 30,249.54
Investments	
	\$ 30,249.54

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	365.71	846.00	825.39	400.48	400.48	386.32
Classes	441.25	1,553.00	1,428.00	0.00	566.25	0.00
Clubs	1,014.96	4,405.61	4,000.26	1,252.15	1,252.15	1,420.31
Departments	2,040.60	1,883.13	1,912.20	952.92	952.92	2,011.53
Trusts	10,711.77	234,962.67	228,390.07	5,535.42	6,035.42	16,784.37
General	2,822.45	9,125.84	3,367.53	1,066.25	0.00	9,647.01
	\$ 17,396.74	\$ 252,776.25	\$ 239,923.45	\$ 9,207.22	\$ 9,207.22	\$ 30,249.54

## AFTERSCHOOL PROGRAM

### Finding

The review of Afterschool Program's records revealed that:

- Attendance records were missing from December 2016 through May 2017. Due to the missing records, we were unable to determine that all fees were collected and properly accounted for.
- Based on the available *Monthly Attendance Reports*, a specific part-time student attended the program during the months of September through November 2016. However, this student was only charged for and collected the tuition for two months (September 2016 and April 2017). As a result, this student was undercharged and under-collected \$232 (\$116 x 2 months) in tuition fees for October and November 2016.

### Recommendation

Afterschool Program should be administered in accordance with District's guidelines and the *Afterschool Programs Operational Manual*. Specifically,

- All records, including student attendance and parent sign-out records, should be retained for a time period consistent with the requirements of the *Afterschool Programs Operational Manual* and the *District Record Retention Schedule*.
- To ensure proper fiscal accountability, Afterschool Program financial transactions should be accurately recorded in the EZ Care database and periodically reconciled to the Internal Funds records. The school should make adjustments to correct the records.

### Management's Response

*Concur. All records will be retained for a time period consistent with the Afterschool Program s Operational Manual. Financial transactions will be accurately recorded in the EZ Care database and periodically reconciled.*

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# **Middle Schools**

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### Middle Schools Summary of Audit Findings FY 2017 Internal Funds Audits

Middle Schools	Community School / Summer Camp / Safe School Programs							Disbursements					Receipts					Leases					Other							Number of Findings						
	1	5	11	13	14	15	16	17	18	19	19a	20	22	23	23a	24	25	26	27	28	29	30	31	32	32a	33	34	35	37		38	39	40	41	42	
	Fees Not Timely Transmitted to Central Office	Student Registration and Attendance Records Missing	Missing Timecard	Timecard Not Signed By Employee	Timecard Not Signed-off By Supervisor	Payroll Did Not Match With Employee Timecard	Staff Incurred Excessive Hours	Program Deficit and/or High Staffing Level	Wages/Stipends Paid From Internal Funds	Inadequate Support for Disbursement	P-Card Related Findings	Disbursement Not Properly Approved	Disbursement Funded By Incorrect Account	Access to Drop Safe	Drop Safe Log Not Used Completely	Monies Not Deposited Timely	Receipts Recorded In Wrong Account	Copy of MCR Not Maintained by Sponsor	Monies Collected Not Properly Documented	Lease Prequalification Not Available	Lease Agreement Not Adequately Maintained	Inadequate Proof of Insurance	Fees Collected After Use	Undercharged Rental	Leasing Fee Collections Incorrectly Distributed	Monies and School Checks Not Adequately Safeguarded	Staff Performing Incompatible Duties	Bank Reconciliation Not Completed Timely	Adjustments To Records Not Properly Approved/Documented	Fundraisers Not Adequately Documented	Field Trips Not/Late Approved By Principal	Out of County Trips Not Approved By Area Superintendent	No Document Custodian Assigned for Prenumbered Documents	Periodic Inventory Not Performed for Prenumbered Documents		
Bak Middle School of the Arts														√	√																			√	4	
Bear Lakes Middle															√			√														√				5
Boca Raton Middle																																				1
Carver Middle									√	√																										3
Christa McAuliffe Middle																																				0
Congress Middle									√					√	√		√									√	√									7
Conniston Middle																	√																			2
Crestwood Middle									√	√											√															4
Don Estridge High Tech Middle																																				1
Eagles Landing Middle																																				0
Emerald Cove Middle																																				1
Howell L. Watkins Middle																																				0
Independence Middle																																				0
Jeaga Middle									√	√				√					√			√					√									9
John F. Kennedy Middle									√			√								√		√														3
Jupiter Middle												√			√																					2

## Middle Schools Summary of Audit Findings FY 2017 Internal Funds Audits

Middle Schools	Community School / Summer Camp / Safe School Programs																	Disbursements					Receipts					Leases					Other								Number of Findings
	1	5	11	13	14	15	16	17	18	19	19a	20	22	23	23a	24	25	26	27	28	29	30	31	32	32a	33	34	35	37	38	39	40	41	42							
	Fees Not Timely Transmitted to Central Office	Student Registration and Attendance Records Missing	Missing Timecard	Timecard Not Signed By Employee	Timecard Not Signed-Off By Supervisor	Payroll Did Not Match With Employee Timecard	Staff Incurred Excessive Hours	Program Deficit and/or High Staffing Level	Wages/Stipends Paid From Internal Funds	Inadequate Support for Disbursement	P-Card Related Findings	Disbursement Not Properly Approved	Disbursement Funded By Incorrect Account	Access to Drop Safe	Drop Safe Log Not Used Completely	Monies Not Deposited Timely	Receipts Recorded In Wrong Account	Copy of MCR Not Maintained by Sponsor	Monies Collected Not Properly Documented	Lease Prequalification Not Available	Lease Agreement Not Adequately Maintained	Inadequate Proof of Insurance	Fees Collected After Use	Undercharged Rental	Leasing Fee Collections Incorrectly Distributed	Monies and School Checks Not Adequately Safeguarded	Staff Performing Incompatible Duties	Bank Reconciliation Not Completed Timely	Adjustments To Records Not Properly Approved/Documented	Fundraisers Not Adequately Documented	Field Trips Not or Late Approved By Principal	Out of County Trips Not Approved By Area Superintendent	No Document Custodian Assigned for Prenumbered Documents	Periodic Inventory Not Performed for Prenumbered Documents							
L.C.Swain Middle									√	√		√		√	√																					6					
Lake Shore Middle																						√								√						2					
Lake Worth Middle																																				0					
Lantana Middle																																				0					
Loggers Run Middle		√													√																		√	√	4						
Odyssey Middle																																	√			1					
Okeeheltee Middle																√			√		√											√			4						
Omni Middle																																				0					
Osceola Creek Middle																																				0					
Palm Springs Middle										√																							√		√	3					
Polo Park Middle									√	√					√						√		√									√			6						
Roosevelt Middle																√						√													√	3					
Tradewinds Middle																																	√			0					
Watson B. Duncan Middle										√						√			√												√				5						
Wellington Landings Middle										√																						√				2					
Western Pines Middle												√																								1					
Woodlands Middle																√		√							√		√									5					
<b>Total (33 Schools)</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>7</b>	<b>9</b>	<b>0</b>	<b>4</b>	<b>3</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>17</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>4</b>	<b>84</b>							

**Bak Middle School of the Arts  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1725 Echo Lake Drive  
West Palm Beach, FL 33407

Principal:  
Fiscal Year 2017: Sally Rozanski  
During Audit: Sally Rozanski

Treasurer:  
Fiscal Year 2017: Donna Bradshaw  
During Audit: Lillibette Valdas-Maietto

**Cash and Investments**

Checking	\$ 443,932.64
Investments	
	\$ 443,932.64

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 5,369.73	\$ 18,283.25	\$ 7,675.09	\$ 6,960.99	\$ 6,960.99	\$ 15,977.89
Music	113,815.37	410,822.55	405,398.21	104,838.31	94,334.31	129,743.71
Classes	6,076.83	14,723.00	14,751.01	2,187.15	2,297.15	5,938.82
Clubs	14,748.00	55,091.41	61,313.86	12,739.56	13,039.56	8,225.55
Departments	161,150.03	392,383.07	339,455.28	116,914.90	113,011.70	217,981.02
Trusts	95,646.25	203,185.21	235,291.66	7,171.85	21,996.37	48,715.28
General	17,444.33	28,410.61	29,331.89	19,870.42	19,043.10	17,350.37
	\$ 414,250.54	\$1,122,899.10	\$1,093,217.00	\$ 270,683.18	\$ 270,683.18	\$ 443,932.64

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- *Section 1* of the *Drop-safe Log* was not always completed by the sponsors with all the required information. Missing information included the dates of collections and the dates when the collections were put into the drop-safe.
- Monies collected were not always deposited into the drop-safe in a timely manner. For example, \$8,357.50 collected through seven MCRs (#714-30, #746-43, #746-44, #746-57, #757-44, #757-4, and #757-26) were retained by the sponsors for one to three working days before the monies were put in the safe for deposit.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete Section 1 of the Log before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete Section 2 of the Log to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete Section 3 of the Log after the treasurer entered the deposit information into the accounting system.
- *DOE Rules* and *District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted liability and potential irregularities.

### Management's Response

*Concur. In addition to district training, each year professional development is provided at school to remind faculty and staff of the rules/procedures. People who violate the Drop-safe Log procedures will be notified and given corrective steps. Repeat violators will receive progressive discipline. Bookkeeper, verifier, and Document Custodian will report any irregularities to administration.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

Information on the *Sales Item Inventory Report* for the Debate Club Coupon Books Sales (Account #4-1430.17) was not accurately completed. As indicated by the sponsor on the *Report*, 140 coupon books were sold and 10 books were given away. However, the school's collection records indicated 145 coupon books were sold. Furthermore, the total cost of the coupon books was mistakenly noted as the quantity of coupon books purchased and the ending inventory.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically, to ensure proper fiscal accountability, *Sales Item Inventory Report* should be completed with all the accurate information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking items purchased, given-away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.

### Management's Response

*Concur. Better review must be completed by sponsor and bookkeeper before giving to principal (principal will also give a better review). Violators will be given corrective steps. Repeat violators will receive progressive discipline .*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents noted:

- Four pages of the *Drop-safe Logs* (pages #14-22886 through #14-22889) were inadvertently skipped in Fiscal Year 2017.
- Information on the *Prenumbered Document Inventory Register* (PBSD 0160) for *Drop-Safe Logs* and *School Checks* was not fully completed. Missing information included the numbers of documents used and the documents issued to staff.

**Recommendation**

To ensure proper fiscal controls and accountability, and as required by *Chapter 27 of the Internal Accounts Manual*,

- A document custodian should be assigned to all prenumbered documents and recorded on the *Document Custodian Assignment Register* (PBSD 0163). Each assigned document custodian shall use the *Prenumbered Document Inventory Register* (PBSD 0160) to perform the periodic inventory of the prenumbered forms.
- To ensure all prenumbered documents are properly accounted for, the document custodian for each prenumbered document, including *Drop-safe Logs* and *School Checks*, should use the *Prenumbered Document Inventory Register* (PBSD 0160) to confirm the periodic inventory check of the prenumbered forms.

***Management's Response***

*Concur. The Document Custodian has been notified and corrections have been made. Before the Document Custodian leaves for the summer, the Document Custodian will complete a draft 0160 form as a starting point.*

***Additional Comments***

*We appreciate the audit and guidance.*

**Bear Lakes Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 3505 Shenandoah Boulevard  
West Palm Beach, FL 33409

Principal:  
Fiscal Year 2017: Kirk Howell  
During Audit: Kirk Howell

Treasurer:  
Fiscal Year 2017: Martha Riviera Guzman/Yolanda Federick  
During Audit: Yolanda Federick

**Cash and Investments**

Checking	\$ 46,398.90
Investments	
	\$ 46,398.90

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 611.22	\$ 11,416.30	\$ 13,117.95	\$ 6,578.00	\$ 5,424.00	\$ 63.57
Music	543.95	16,474.50	15,401.39	3,394.02	3,394.02	1,617.06
Classes	827.76	4,917.60	4,334.08	792.65	675.00	1,528.93
Clubs	763.54	3,724.46	2,473.29	1,271.44	1,371.44	1,914.71
Departments	6,979.46	11,285.77	8,548.93	8,104.71	9,233.00	8,588.01
Trusts	34,377.58	69,872.72	71,292.64	10,150.00	10,493.36	32,614.30
General	570.74	325.00	1,123.42	300.00	0.00	72.32
	\$ 44,674.25	\$ 118,016.35	\$ 116,291.70	\$ 30,590.82	\$ 30,590.82	\$ 46,398.90

## DEPOSIT OF MONIES

### Finding

The review of money collection process and sample *Monies Collected Reports* (MCRs) at the school found that:

- MCRs were not always completed with all the required information. For example, information missing from the MCR included the check numbers for \$60 on three MCRs (#673-1, #673-7 and #673-8).
- Monies collected were not always deposited in a timely manner. For example, \$91 collected through Deposit #673 was retained by the sponsors for 13 to 22 working days before the money was put into the drop-safe for deposit.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Monies collected should be supported by MCRs with all the required information, including the payer's name, dollar amount, and check number when appropriate.
- *DOE Rules* and District *Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could result in potential irregularities.

### Management's Response

*Concur. Will follow recommendations to improve.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records revealed that:

- During July 2016 through November 2017, a total of \$4,299 in fundraiser sales revenue was deposited into the P.E. Uniforms Sales (Account #5-1900.01). Based on the school's

Bear Lakes Middle School  
 Management Letter  
Year Ended June 30, 2017

purchasing records, *Sales Item Inventory Report*, and our examination of the physical inventory during the audit, this fundraiser should have generated a total sales revenue of \$5,074 during the period. As a result, \$775 (\$5,074 -\$4,299) or 15% in revenue was unaccounted for. Also, the beginning inventory on FY 2017 *Sales Item Inventory Report* did not agree with the ending inventory on the FY 2016 *Sales Item Inventory Report*.

Item	Quantity					Selling Price	Revenues
	Beginning Inventory <sup>(1)</sup>	Purchases <sup>(2)</sup>	Items Given Away <sup>(1)</sup>	Inventory On Hand <sup>(3)</sup>	Units Sold		
Shorts	89	502	1	363	227	\$12	\$2,724
Shirts	148	653	2	564	235	10	2,350
Total Estimated Revenues							\$5,074
Total \$ Deposited into Internal Funds							\$4,299
<b><i>Estimated Revenues Unaccounted For</i></b>							<b><u><u>\$775</u></u></b>

(1) Based on *FY17 Sales Item Inventory Report*.

(2) Based on purchasing records during July 1, 2016, through November 29, 2017.

(3) Based on physical inventory performed November 29, 2017.

- The *Sales Item Inventory Report* for the General Athletic Candy Sale (Account #1-0010.01) indicated purchases of product for resale. However, purchases could not be identified or verified on the General Ledger. The treasurer confirmed that the sponsor used cash proceeds from collections to purchase items for resale. Also, disbursements unrelated to the fundraiser were made from this account. Due to insufficient information, an analysis of this fundraiser account could not be performed.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- All monies raised through fundraisers should be accounted for properly. To ensure proper fiscal accountability, *Sales Item Inventory Reports* should be completed with accurate information for each fundraiser. This will assist staff in reconciling the sales revenue with the estimated revenue. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.
- To assist the school in evaluating and monitoring the performance of individual fundraiser, a separate decimalized account should be established for each fundraiser. The fundraiser account should include all the needed and accurate financial information.

Bear Lakes Middle School  
Management Letter  
Year Ended June 30, 2017

***Management's Response***

*Concur. Will follow recommendations to improve.*

**Boca Raton Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1251 N.W. 8th Street  
Boca Raton, FL 33486

Principal:  
Fiscal Year 2017: Peter Slack  
During Audit: Peter Slack

Treasurer:  
Fiscal Year 2017: Jeannine Balbier  
During Audit: Jeannine Balbier

**Cash and Investments**

Checking	\$ 173,243.08
Investments	
	\$ 173,243.08

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 10,461.92	\$ 14,659.00	\$ 11,069.70	\$ 8,274.60	\$ 8,274.60	\$ 14,051.22
Music	4,565.82	53,962.14	55,547.26	12,679.99	12,519.99	3,140.70
Classes	670.81	31,679.00	32,187.20	387.58	216.58	333.61
Clubs	7,067.16	43,148.10	46,922.18	10,354.47	9,107.77	4,539.78
Departments	95,070.47	91,211.19	86,381.00	58,124.82	78,148.32	79,877.16
Trusts	33,943.10	111,505.54	111,554.03	4,533.01	5,822.37	32,605.25
General	21,687.15	28,845.01	31,571.96	37,381.78	17,646.62	38,695.36
	\$ 173,466.43	\$ 375,009.98	\$ 375,233.33	\$ 131,736.25	\$ 131,736.25	\$ 173,243.08

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

Although *Sales Item Inventory Reports* for Yearbook Sales (Account #5-0450.01) and Cheesecake Sales (Account #2-1000.04) were prepared and signed by the sponsors, none of the fundraiser information was recorded on the forms. Critical information missing included (1) the beginning and ending inventories, (2) the quantities of items purchased, sold, and given-away, (3) the selling prices and revenues. Moreover, the *Sales Item Inventory Report* for Yearbook Sales was not reviewed and signed by the Principal and the related *Fundraising Application/Recap Form* was not verified by the bookkeeper.

### **Recommendation**

The *Sales Item Inventory Report* should be prepared and completed with accurate information. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing. This finding will be reported to the Office of Professional Standards for appropriate action.

### ***Management's Response***

*Concur. I met with the Yearbook Sponsor to make sure that all future Sales Item Inventory Reports are completed according to School board Policy 2.16 and all Sales Item Inventory Reports are completed and accurate. All yearbooks are accounted for in FY 17. Yearbooks were sold in a variety of ways (online & in person) and for a variety of prices (early bird discount). We will ensure that all information is accurately recorded on the Sales Item Inventory Reports for all future yearbook fundraisers. (Leftover yearbooks are usually sold at a discount during FY18 Open House).*

**Carver Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 101 Barwick Road  
Delray Beach, FL 33445

Principal:  
Fiscal Year 2017: Kiwana Alexander-Prophete  
During Audit: Kiwana Alexander-Prophete

Treasurer:  
Fiscal Year 2017: Ryan Lewis  
During Audit: Ryan Lewis

**Cash and Investments**

Checking	\$ 32,622.58
Investments	
	\$ 32,622.58

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 2,491.86	\$ 15,308.33	\$ 14,929.36	\$ 4,966.33	\$ 4,760.57	\$ 3,076.59
Music	0.00	581.75	0.00	0.00	0.00	581.75
Classes	2,793.88	62,766.94	61,459.51	4,531.65	4,206.65	4,426.31
Clubs	9,512.27	36,071.04	37,722.25	1,882.36	2,282.36	7,461.06
Departments	4,612.77	5,428.63	6,261.87	3,322.58	3,325.61	3,776.50
Trusts	7,214.77	44,848.67	46,080.13	1,428.24	120.00	7,291.55
General	5,879.24	30,365.01	28,799.46	4,399.29	5,835.26	6,008.82
	\$ 32,504.79	\$ 195,370.37	\$ 195,252.58	\$ 20,530.45	\$ 20,530.45	\$ 32,622.58

### DOCUMENTATION FOR FUNDRAISERS

#### **Finding**

The *Fundraising Application/Recap Forms* for the Yearbook Sales (Account #7-0100.06) and Cart Sales (Account #1-0010.01) were not approved by the Principal until 40 and five working days, respectively, after the fundraising activities had begun.

#### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically, to ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the Fundraising Application/Recap Form.

#### **Management's Response**

*Concur. Fundraising procedures will be reviewed with staff. All staff members will not be allowed to collect funds without prior approval from the Principal.*

### DOCUMENTATION FOR DISBURSEMENTS

#### **Finding**

The review of records for sample disbursements and P-Card purchases found that:

- Disbursements #12192 (for \$1,256.50) and #12315 (for \$1,209.89) did not have the required *Purchase Order*. *Purchase Order* is required for all purchases exceeding \$1,000.
- Disbursement #12120 (for \$200) was payment for DJ Services on September 1, 2016. However, the engagement of this consultant did not have the required *School District Consultant Agreement (PBSD 1420)*.
- Disbursement #12380 (for \$1,000) was an advance payment for meals during a field trip. However, there were no receipts or proof of expenses by the trip sponsor. As a result, there was no assurance that the advance was used properly and that any remaining funds be returned to the school.
- One P-Card transaction for \$1,565.37 (occurred on August 1, 2016) exceeded the \$1,000 per vendor per day limit, but did not have the prior approval from Purchasing.
- Two P-Card purchases, totaling \$2,447.50, were supported by credit card receipts that did not have the details of the items purchased.
- Eight online purchases with the school's P-Card during August and September 2016, included \$112.48 in sales tax.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- *Purchase Order* approved by the Principal should be issued for each purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase.
- To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) the consultant's background and clearance checks be conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465 (Jessica Lunsford Act)*.
- P-Card purchases in excess of \$1,000 requires prior approval of Purchasing.
- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- The School District is sales tax-exempt governmental entity, and should not pay sales tax for qualified purchases.

### **Management's Response**

*Concur. A purchase order will be approved by the Principal for purchases in excess of \$1,000.00. The sale-tax exempt form will be used to make purchases for qualified purchases.*

**Christa McAuliffe Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 6500 Le Chalet Boulevard  
Boynton Beach, FL 33437

Principal:  
Fiscal Year 2017: Jeff Silverman  
During Audit: Jeff Silverman

Treasurer:  
Fiscal Year 2017: Diane Davant  
During Audit: Diane Davant

**Cash and Investments**

Checking	\$ 159,241.19
Investments	
	\$ 159,241.19

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 7,630.82	\$ 19,805.25	\$ 19,435.57	\$ 12,570.16	\$ 12,570.16	\$ 8,000.50
Music	3,101.54	34,002.20	31,401.86	13,478.32	13,478.32	5,701.88
Classes	2,082.19	40,264.00	39,168.05	1,372.78	1,324.78	3,226.14
Clubs	5,066.44	9,610.65	8,643.37	1,760.17	1,760.17	6,033.72
Departments	62,136.01	77,352.56	70,328.21	29,036.63	26,368.20	71,828.79
Trusts	32,710.11	160,638.94	128,422.92	1,706.52	11,063.52	55,569.13
General	3,923.96	9,625.35	11,308.85	12,109.83	5,469.26	8,881.03
	\$ 116,651.07	\$ 351,298.95	\$ 308,708.83	\$ 72,034.41	\$ 72,034.41	\$ 159,241.19

Christa McAuliffe Middle School.  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Congress Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 101 South Congress Avenue  
Boynton Beach, FL 33426

Principal:  
Fiscal Year 2017: Denise O'Connor  
During Audit: Denise O'Connor

Treasurer:  
Fiscal Year 2017: Yvonne Small  
During Audit: Yvonne Small

**Cash and Investments**

Checking	\$ 37,630.59
Investments	
	\$ 37,630.59

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 2,847.93	\$ 4,345.90	\$ 6,161.41	\$ 365.69	\$ 365.69	\$ 1,032.42
Music	1,752.19	2,298.45	1,335.92	200.00	200.00	2,714.72
Classes	3,926.40	40,642.57	38,711.85	4,847.95	4,847.95	5,857.12
Clubs	3,691.15	4,409.57	4,654.21	1,096.72	1,096.72	3,446.51
Departments	1,621.87	7,433.73	7,355.33	1,242.69	761.19	2,181.77
Trusts	12,963.89	19,061.73	15,325.08	22.33	1,036.11	15,686.76
General	6,012.51	14,130.00	13,963.50	4,188.33	3,656.05	6,711.29
	\$ 32,815.94	\$ 92,321.95	\$ 87,507.30	\$ 11,963.71	\$ 11,963.71	\$ 37,630.59

## DEPOSIT OF MONIES

### Finding

The review of money collection process and sample *Monies Collected Reports* (MCRs) found that:

- Incoming mail was sorted and opened by someone other than the school treasurer. School staff recorded checks received in the mail on a “Check Log” which was reviewed by the principal. However, the staff opening the mail neither prepared a *Monies Collected Report* (MCR) nor put the payment in the drop-safe. Instead, the mail containing checks was dropped in the school treasurer’s mail box. According to the treasurer, she gives the checks to the data processor for processing.
- Two pages (#s 14-0753 and 14-40757) of the *Drop-safe Log* were missing. The missing pages were for collections during September 9 and 13, 2016. The school treasurer provided copies of the missing pages during the exit conference. She had made and retained copies of *Drop-safe Logs* when funds were removed from the safe for processing.
- Monies collected were not always deposited in a timely manner. For example, \$760 collected through four MCRs (#s 979-7, 979-9, 955-7 and 993-5) were retained by the sponsors for one to two working days before they were put into the drop-safe for deposit.
- Some sponsors did not attach the Official Receipts to the yellow copies of the MCRs when submitting these documents to the school secretary for record retention at the end of the school year.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education’s Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically

- Incoming mails should be received and opened by staff members other than the school treasurer. Payments received in the mail should be recorded on a *Monies Collected Report* (MCR) by the staff who opens the mail, prior to putting the collections to in the drop-safe.
- To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO*, “*Completed Drop Safes Logs must be filed sequentially in numerical order in a binder and retained for five years.*”
- As required by *DOE Rules* and District *Bulletin #P-14051-S/CFO*, monies collected should be put into the drop-safe daily, and be deposited into the bank within five working days after

the collections. Delay in turning in the monies for deposit could increase the risk exposure to sponsors and result in potential irregularities.

- As required by the *Sponsor's Checklist of Responsibilities* in the *Internal Accounts Manual, Chapter 7*, Teacher/sponsors should “compare the yellow copy of the MCR against the official receipt to confirm that funds were properly credited to the school’s accounting records.”

### ***Management's Response***

*Concur.*

## **SAFEGUARDING OF SCHOOL ASSETS**

### **Finding**

During the audit, we noted that 28 blank checks (#4556 through #4583) were kept in an unlocked drawer in the treasurer’s office. The office remained unlocked while the treasurer was away from her desk.

### **Recommendation**

To ensure school assets are safeguarded properly and prevent potential misuse of school checks, all school’s checks should be properly secured in a locked cabinet or the school’s drop safe.

### ***Management's Response***

*The treasurer’s office is locked whenever unoccupied and the school checks are properly stored in the school’s drop-safe.*

## **DOCUMENTATION FOR FUNDRAISERS**

The review of fundraiser documentation revealed that tickets were sold for the Grade 7 Sweetheart Dance (Account #3-3700.07) and the event had a total ticket sales revenue of \$1,013. However, the sponsor for this fundraiser did not prepare the required *Ticket Sellers Report*.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically, *Internal Accounts Manual, Chapter 26*, requires that “Prenumbered tickets must be used to account for admissions to campus events if the anticipated revenues at the event are expected to exceed \$500 at the elementary level or \$1,000 at the

secondary level.” Moreover, *Ticket Sellers Report* should be prepared in order for staff to reconcile revenues with the number of tickets sold.

***Management’s Response***

*Concur. The school administration and Treasurer will ensure that all sponsors follow District protocol/guidelines at all times.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

Disbursement #4285 (for \$200) was for DJ services. The disbursement was supported by a *School District Consultant Agreement (PBSD 1420)* but the *Agreement* was incomplete. Two mandatory documents, the *Beneficial Interest and Disclosure of Ownership Affidavit* (page 5) and the *Consultant Evaluation Form* (page 6) were not included.

**Recommendation**

To protect the best interests of the school, the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required mandatory documents prior to the consultant performing services.

***Management’s Response***

*Concur. The school administration and Treasurer will follow District protocol/guidelines according to disbursements.*

***Additional comments***

*The noted findings on page 1 will be addressed and adhered by school Treasurer and administration to ensure District practices and policies are in place and daily operating procedures.*

**Conniston Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 3630 Parker Avenue  
West Palm Beach, FL 33405

Principal:  
Fiscal Year 2017: Oscar Otero  
During Audit: Oscar Otero

Treasurer:  
Fiscal Year 2017: Adriana Valladares  
During Audit: Adriana Valladares

**Cash and Investments**

Checking	\$ 54,872.78
Investments	
	\$ 54,872.78

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 2,887.16	\$ 7,217.26	\$ 8,345.26	\$ 3,808.94	\$ 3,812.94	\$ 1,755.16
Music	4,646.11	11,958.62	11,257.57	4,578.37	5,624.76	4,300.77
Classes	0.00	8,179.00	7,582.17	1,400.95	1,997.78	0.00
Clubs	6,815.78	20,246.75	11,542.51	12,905.12	19,289.83	9,135.31
Departments	13,537.58	38,762.93	33,709.84	12,408.49	12,556.12	18,443.04
Trusts	18,281.32	58,840.09	64,295.54	17,324.53	16,468.69	13,681.71
General	9,545.53	20,826.69	30,139.15	10,643.68	3,319.96	7,556.79
	\$ 55,713.48	\$ 166,031.34	\$ 166,872.04	\$ 63,070.08	\$ 63,070.08	\$ 54,872.78

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- At the end of the year, some sponsors did not always attach the computerized *Official Receipts* to the yellow copies of the MCRs when submitting these documents to the school secretary for record retention.
- *Section 1* of the *Drop-safe Log* was not always completed with all the required information. Missing information included the dates of collections.

### Recommendation

Money collections should be administered in accordance with District guidelines and *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*. Specifically,

- As required by *Bulletin #P-14051-S/CFO* and *Internal Accounts Manual, Chapter 7's Record Retention Requirements*, "Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary..."
- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system by entering the *Official Receipt* number on the *Log*.

### Management's Response

*Concur.*

**Crestwood Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 64 Sparrow Drive  
Royal Palm Beach, FL 33411

Principal:  
Fiscal Year 2017: Stephanie Nance  
During Audit: Stephanie Nance

Treasurer:  
Fiscal Year 2017: Carrie Richardson  
During Audit: Carrie Richardson

**Cash and Investments**

Checking	\$ 60,448.68
Investments	
	\$ 60,448.68

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 4,058.64	\$ 15,258.61	\$ 16,903.64	\$ 9,133.38	\$ 6,979.88	\$ 4,567.11
Music	6,286.64	25,358.32	26,390.58	6,732.96	6,669.83	5,317.51
Classes	1,616.32	3,579.00	1,977.80	1,233.69	2,169.01	2,282.20
Clubs	5,399.06	33,091.65	36,100.34	6,432.34	4,576.34	4,246.37
Departments	38,172.13	39,255.00	46,805.07	19,860.30	22,847.18	27,635.18
Trusts	3,537.18	36,308.03	34,593.20	11,429.12	4,111.96	12,569.17
General	10.00	25,616.81	14,328.08	10,969.65	18,437.24	3,831.14
	\$ 59,079.97	\$ 178,467.42	\$ 177,098.71	\$ 65,791.44	\$ 65,791.44	\$ 60,448.68

## ACCOUNTS PAYABLE

### Finding

As of June 30, 2017, the school had a total debt of \$9,604.90 (or 16% of the year-end fund balance) payable to the Central Office. The Principal stated that some items were in dispute.

### Recommendation

The school should develop a payment plan to address the unpaid debts.

### *Management's Response*

*Concur. The Principal and School Treasurer are working with the District accounts payable department to address noted discrepancies and establish a payment plan and timeline to address unpaid debts.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsor for the General Activities ID Badges (Account #7-0100.16) did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2017. Furthermore, the *Sales Item Inventory Report* was not approved by the Principal.
- There was no *Fundraising Application/Recap Form* or *Sales Item Inventory Report* for the AVID-Uniform T-Shirts (Account #5-0065.02).

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure staff is familiar with and complying with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.

Crestwood Middle School  
Management Letter  
Year Ended June 30, 2017

- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- *Sales Item Inventory Report* should be properly prepared and completed with accurate information for each fundraiser and be approved by the principal. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. The *Report* should be approved by the Principal to account for any items that were given-away free-of-charge or missing.

***Management's Response***

*Concur. The Principal and School Treasurer will continue to meet with fundraising sponsors to review and discuss SBPolicy 2.16 and related guidelines, including required fundraising training and implementation protocols.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

The review of sample disbursements and P-Card records found that:

- Two disbursements (#12652 for \$250 and #12653 for \$725) were for refunds of field trip fees to two students who paid but did not attend the trip to New York City. However, the disbursement did not have supporting documentation for the student's original payment, such as a receipt or copy of *Monies Collected Report*.
- One P-Card purchase (for \$220) occurred in April 2017, for the purchase of 22 gift cards. However, the supporting documentation did not provide a list of students who received the gift cards or the purpose for giving the gift cards.
- One P-Card purchase (for \$1,000) occurred in June 2017, was supported by a payment receipt that did not have the details of the purchase.

**Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual* and related District guidelines. Specifically,

Crestwood Middle School  
Management Letter  
Year Ended June 30, 2017

- Refund of field trip fees to students should be supported by the original payment records. Without adequate documentation, there is no assurance that the disbursements were appropriate.
- As required by **Bulletin #P-14974-COO/P/AS**, “schools must maintain documentation of all recipients of gift cards.”
- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.

***Management’s Response***

*Concur. The Principal and School Treasurer will meet with all assigned P-Card holders to review purchasing card guidelines, with specific emphasis on ensuring that purchases are appropriate and adequately documented and supported by itemized invoices and receipts.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of records for leasing of school facilities found that:

- Three *Lease Agreements* (#s 1001, 1003, and 1006) were neither signed by the lessees nor approved by the Principal in a timely manner. Delays ranged from eight to 17 days after the leasehold periods began.
- The dates of the lessees’ and witnesses’ signatures on *Lease Agreements* #1001 and #1005 were different, indicating that the witness was not present at the time the *Lease Agreements* were signed by the lessees.

**Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- To protect the best interest of the School District, all *Lease Agreements* should be executed with all the required signatures prior to the use of facilities by lessees.
- To ensure contracts between the school and lessees are enforceable, the witness should be present when the lessee signs the *Lease Agreement*.

Crestwood Middle School  
Management Letter  
Year Ended June 30, 2017

***Management's Response***

*Concur. The Principal and School Treasurer have met to review leasing guidelines; the Principal and School Treasurer will also review these protocols with lessees and will actively monitor leasing fees to ensure that funds are transmitted accurately and accordingly.*

**Don Estridge High Tech Middle School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1798 N.W. Spanish River Boulevard  
 Boca Raton, FL 33431

Principal:  
 Fiscal Year 2017: Laura Riopelle  
 During Audit: Laura Riopelle

Treasurer:  
 Fiscal Year 2017: Laura Palo  
 During Audit: Laura Palo

**Cash and Investments**

Checking	\$ 116,078.76
Investments	
	\$ 116,078.76

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 4,830.46	\$ 17,640.38	\$ 15,358.95	\$ 6,272.52	\$ 6,272.52	\$ 7,111.89
Music	11,142.45	71,405.49	75,030.77	24,493.46	24,493.46	7,517.17
Classes	0.00	0.00	0.00	0.00	0.00	0.00
Clubs	5,318.52	10,131.35	4,353.11	5,569.33	5,612.99	11,053.10
Departments	13,347.83	37,138.20	19,184.13	24,883.19	24,638.40	31,546.69
Trusts	63,672.09	107,078.72	123,513.94	8,765.94	8,265.09	47,737.72
General	22,272.14	38,678.96	49,136.93	13,541.19	14,243.17	11,112.19
	\$ 120,583.49	\$ 282,073.10	\$ 286,577.83	\$ 83,525.63	\$ 83,525.63	\$ 116,078.76

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraising documentation revealed that:

- The sponsors for the Band Shirts Sales (Account #2-1000.02) and 8<sup>th</sup> Grade Shirt Sales (Account #3-3800.01) did not complete the required *Sales Item Inventory Reports*.
- The information on the *Sales Item Inventory Report* for the Yearbook Sales (Account #4-6390.01) was incomplete. Missing information included the quantity of yearbooks sold at each of the price level. Moreover, the report was not reviewed and approved by the Principal.

### Recommendation

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and the related District guidelines. Specifically, to ensure proper fiscal accountability, *Sales Item Inventory Report* should be prepared and completed with accurate information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenue and (2) tracking items purchased, given-away, or remained in ending inventory.

### Management's Response

*Concur. We have spoken with sponsor teachers. Band director will complete sales item inventory report. Yearbook sponsor will get records from company to complete better sales inventory report.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of records for leasing of school facilities found that, *Lease Agreements* #1037 and #1039 were established on May 31, 2017 and June 14, 2017, respectively, for use of the school facilities from June 4 through July 28, 2017. These lease arrangements went beyond one fiscal year and is disallowed by ***School Board Policy 7.18***.

### Recommendation

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically, ***School Board Policy 7.18***, states “*No leases shall*

Don Estridge High Tech Middle School  
Management Letter  
Year Ended June 30, 2017

*extend beyond the end of the fiscal year unless approved by the Superintendent, or designee for good cause shown.”*

***Management’s Response***

*Concur. Discussed with leasing coordinator. Leases that fall between two fiscal years will be written as separate documents.*

**Eagles Landing Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 19500 Coral Ridge Drive  
Boca Raton, FL 33498

Principal:  
Fiscal Year 2017: Cynthia Chiapetta/Joseph Peccia  
During Audit: Joseph Peccia

Treasurer:  
Fiscal Year 2017: Jennifer Siedenstucker  
During Audit: Jennifer Siedenstucker

**Cash and Investments**

Checking	\$ 57,832.61
Investments	
	\$ 57,832.61

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 6,130.24	\$ 11,670.32	\$ 10,982.90	\$ 5,278.25	\$ 5,278.25	\$ 6,817.66
Music	11,629.84	107,128.33	104,286.45	24,125.76	24,598.11	13,999.37
Classes	0.00	70,306.56	68,223.08	3,808.70	5,892.18	0.00
Clubs	729.48	4,964.69	3,586.95	360.61	390.64	2,077.19
Departments	4,362.36	52,316.28	43,447.38	13,110.13	17,138.84	9,202.55
Trusts	7,175.23	27,427.39	28,163.64	687.71	748.41	6,378.28
General	16,234.70	7,672.08	11,224.49	8,830.59	2,155.32	19,357.56
	\$ 46,261.85	\$ 281,485.65	\$ 269,914.89	\$ 56,201.75	\$ 56,201.75	\$ 57,832.61

Eagles Landing Middle School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Emerald Cove Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 9950 Stribling Way  
Wellington, FL 33414

Principal:  
Fiscal Year 2017: Eugina Feaman  
During Audit: Eugina Feaman

Treasurer:  
Fiscal Year 2017: Virginia Garceau  
During Audit: Virginia Garceau

**Cash and Investments**

Checking	\$ 78,710.20
Investments	
	\$ 78,710.20

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 7,125.93	\$ 14,102.00	\$ 15,402.97	\$ 6,981.50	\$ 6,845.50	\$ 5,960.96
Music	2,088.65	20,260.15	19,672.55	5,282.30	5,282.30	2,676.25
Classes	1,971.90	35,398.75	34,348.25	2,145.30	2,145.30	3,022.40
Clubs	4,364.07	6,214.95	7,000.50	346.02	422.02	3,502.52
Departments	33,332.04	50,002.99	43,802.20	8,149.29	8,209.29	39,472.83
Trusts	14,568.74	93,102.28	89,897.83	0.00	0.00	17,773.19
General	5,891.03	53,436.28	53,025.26	9,332.42	9,332.42	6,302.05
	\$ 69,342.36	\$ 272,517.40	\$ 263,149.56	\$ 32,236.83	\$ 32,236.83	\$ 78,710.20

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that:

- Both the *Fundraising Application/Recap Form* and *Sales Item Inventory Report* for the Athletic Concession Sales (Account #1-0010.01) were not approved by the Principal.
- The sponsor for the Yearbook Sales Fundraiser (Account #5-0450.00) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal, verified by the Bookkeeper and documented in the *Fundraising Application/Recap Form*.
- The *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing.
- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.

### Management's Response

*Concur. Fundraising coordinators have been reminded of District guidelines to ensure training is completed and Principal approval is received and documented for all activities.*

**H.L. Watkins Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 9480 MacArthur Boulevard  
Palm Beach Gardens, FL 33403

Principal:  
Fiscal Year 2017: Don Hoffman  
During Audit: Don Hoffman

Treasurer:  
Fiscal Year 2017: Luz Mery Ocampo  
During Audit: Luz Mary Ocampo

**Cash and Investments**

Checking	\$ 36,086.04
Investments	
	\$ 36,086.04

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 880.98	\$ 4,117.21	\$ 3,837.69	\$ 7,281.76	\$ 7,281.76	\$ 1,160.50
Music	2,261.80	10,190.20	12,038.03	7,090.77	6,975.42	529.32
Classes	4,038.71	18,006.00	16,649.89	2,373.07	2,518.07	5,249.82
Clubs	1,645.21	28,869.37	29,481.96	6,209.39	5,336.49	1,905.52
Departments	11,078.32	41,664.24	36,456.45	14,477.59	14,616.30	16,147.40
Trusts	11,918.47	21,565.19	21,022.01	645.00	2,739.00	10,367.65
General	2,122.95	16,681.62	19,468.20	14,511.07	13,121.61	725.83
	\$ 33,946.44	\$ 141,093.83	\$ 138,954.23	\$ 52,588.65	\$ 52,588.65	\$ 36,086.04

Howell L. Watkins Middle School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Independence Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 4001 Greenway Drive  
Jupiter, FL 33458

Principal:  
Fiscal Year 2017: Kathryn Koerner  
During Audit: Kathryn Koerner

Treasurer:  
Fiscal Year 2017: Doralien Ciaramella  
During Audit: Doralien Ciaramella

**Cash and Investments**

Checking	\$ 151,026.16
Investments	
	\$ 151,026.16

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 8,691.95	\$ 9,272.00	\$ 7,455.25	\$ 1,700.00	\$ 1,700.00	\$ 10,508.70
Music	12,276.97	171,670.68	163,250.89	88,390.87	89,683.37	19,404.26
Classes	4,200.06	60,655.68	61,623.01	11,309.32	9,184.34	5,357.71
Clubs	4,705.98	5,448.00	4,866.93	851.25	875.45	5,262.85
Departments	56,672.97	228,786.43	220,425.44	57,461.43	55,831.67	66,663.72
Trusts	39,530.40	113,769.57	121,994.25	6,015.94	4,990.59	32,331.07
General	6,097.59	31,870.66	23,007.01	15,997.51	19,460.90	11,497.85
	\$ 132,175.92	\$ 621,473.02	\$ 602,622.78	\$ 181,726.32	\$ 181,726.32	\$ 151,026.16

Independence Middle School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Jeaga Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 3777 North Jog Road  
West Palm Beach, FL 33411

Principal:  
Fiscal Year 2017: Kevin Gatlin  
During Audit: Anthony Allen

Treasurer:  
Fiscal Year 2017: Shelita Andrews  
During Audit: Shelita Andrews

**Cash and Investments**

Checking	\$ 32,304.56
Investments	
	\$ 32,304.56

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 126.06	\$ 16,372.90	\$ 16,169.16	\$ 9,540.39	\$ 8,665.39	\$ 1,204.80
Music	1,805.99	9,326.89	10,424.64	2,844.94	2,884.94	668.24
Classes	3,049.27	31,104.00	30,098.20	3,903.87	3,860.45	4,098.49
Clubs	1,677.79	20,957.84	19,951.63	4,286.92	5,319.89	1,651.03
Departments	9,163.45	10,031.73	11,456.53	5,953.67	6,984.12	6,708.20
Trusts	16,353.09	14,684.26	13,112.52	5,001.99	5,001.99	17,924.83
General	1,538.97	906.96	3,581.96	1,860.00	675.00	48.97
	\$ 33,714.62	\$ 103,384.58	\$ 104,794.64	\$ 33,391.78	\$ 33,391.78	\$ 32,304.56

## DEPOSIT OF MONIES

### Finding

The review of sample Monies Collected Reports (MCRs) and money collection processes at the school revealed that:

- Section 2 on three pages of the Drop-safe Log (page# 14-19566, #14-19572, and #14-19573) did not have the dates on which collections were removed from the safe for processing by the school treasurer.
- Sections 2 and 3 of the Drop-safe Log (for 11 collections totaling \$1,609,40) did not always have proof that an independent verifier was present to verify the deposit information.
- MCRs were not always completed with all the required information. For example, check numbers and the dollar amounts of collections were missing on MCR #607-15.
- In addition to maintaining the Internal Funds records, the treasurer also performed incompatible duties in collecting leasing fees from lessees.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the Drop-safe Log with all the required information. The activity sponsor should complete Section 1 of the Log before dropping off the collections into the safe. The treasurer and the independent staff-verifier should jointly complete Section 2 of the Log to confirm the treasurer's removing the deposits for processing. Lastly, the staff-verifier should complete Section 3 of the Log after the treasurer entered the deposit information into the school's accounting system.
- Monies collected should be supported by MCRs with all the required information, including the account number, remitter's signature, payer's name, dollar amount, and check number when appropriate.
- Segregation of duties should be enforced to ensure fiscal accountability, detect and prevent potential irregularities. Specifically, the school treasurer should not be the one who collects monies from students and lessees.

**Management's Response**

[Former Principal] Concur. Principal will meet with the treasurer to discuss procedures to move forward.

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser records found that:

- The Yearbook-Strawbridge fundraiser (Account #5-0450.03) did not have the required *Fundraising Application/Recap Form* and *Sales Item Inventory Form*. A total of \$1,300 in sales revenues was deposited into the Internal Funds during the period April 4, 2017, through June 7, 2017. Based on the school's purchasing records and our examination of physical inventory during the audit, this fundraiser should have generated a total estimated revenue of \$1,740. As a result, \$420 (\$1,720 - \$1,300, or 25%) in estimated revenue was unaccounted for. According to staff, some Yearbooks were given-away as rewards without documentation, which might have contributed to the \$420 discrepancy in revenue.

Item	Quantity					Selling Price	Revenues
	Beginning Inventory	Purchases <sup>(1)</sup>	Items Given Away	Inventory on Hand <sup>(2)</sup>	Units Sold		
Yearbook	-	100	-	42	56	\$30	\$1,680
Yearbook					1	\$25	\$25
Yearbook					1	\$15	\$15
Total Estimated Revenues							\$1,720
Total \$ Deposits into Internal Funds							\$1,300
<b>Estimated Revenues Unaccounted For</b>							<b>\$420</b>

(1) Based on purchasing records during April 4, 2017, through June 7, 2017.

(2) Based on our observation of physical inventory on August 22, 2017

- The *Sales Item Inventory Reports* for the AVID Grams (Account #3-2700.01) and the Chorus Pizza fundraiser (Account #2-1500.04) were not reviewed and approved by the Principal.
- The *Sales Item Inventory Report* for the Chorus Pizza fundraiser (Account #2-1500.04) was not was not completed with all the required information. Missing information included (1) the beginning and ending inventories, (2) the quantities of items purchased, sold, and given-away, if any, and (3) the selling prices and revenues. Without this information, there was no assurance that all the monies collected were properly accounted for.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the actual sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items, if any, that were given-away or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

### **Management's Response**

*[Former Principal] Concur. The principal and treasurer will discuss the procedures with each sponsor to move forward.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

The review of sample disbursements and P-Card purchases found that:

- Disbursement #6622 (for \$2,014.00) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Disbursement #6717 (for \$400) was for payment to a consultant who performed the DJ service during the December 15, 2016, Winter Carnival Activity. However, the engagement of this consultant did not have a *School District Consultant Agreement (PBSD 1420)*.
- A March 14, 2017, P-Card purchase (for \$222.49) was supported by a credit card receipt that contained only dollar amount without any details of the purchase.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- Pursuant to the District's *Purchasing Manual* and *Internal Accounts Manual*, all Internal Funds purchases require (1) Principal's approval prior to the purchase; and (2) *Purchase Order* should be issued for purchase in excess of \$1,000.
- To protect the safety and welfare of students, prior to a consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed, and (2) most importantly, the consultant's background and clearance check must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465 (Jessica Lunsford Act)*.
- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.

### **Management's Response**

*[Former Principal] Concur. The treasurer will speak with each sponsor to move forward on this procedure.*

## **PRENUMBERED DOCUMENTS**

The review of controls in prenumbered documents found the following:

- The school did not maintain the *Prenumbered Document Inventory Register PBSD 0160*) for the *School Checks*.
- The unused *Drop-safe Logs* were kept by the school treasurer instead of the Data Processor who was the designated custodian of the *Drop-safe Log*.

### **Recommendation**

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*,

Jeaga Middle School  
Management Letter  
Year Ended June 30, 2017

- To ensure all prenumbered documents are properly accounted for, the Document Custodian should account for each prenumbered document, including *School Checks*, through the use of the *Prenumbered Document Inventory Register* (PBSD 0160) to confirm the periodic inventory check of the forms.
- To safeguard school assets through proper segregation of duties, both used and unused Drop-safe Logs should be maintained by the designated document custodian.

***Management's Response***

*[Former Principal] Concur. Principal and treasurer will review protocol and procedures.*

## LEASING OF SCHOOL FACILITIES

**Finding**

The review of records for leasing of school facilities found that:

- The rentals for Leases #1001 were not collected until three days after lessees began using the facilities.
- *Agreement* #1003 was neither approved by the Principal nor signed by the lessee and witness until 14 and 21 days respectively after the leasehold period began.

**Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- ***School Board Policy 7.18***, requires that leasing charges “*are to be paid by check or credit card (no cash) at least forty-eight (48) hours prior to the use of a facility.*”
- To protect the best interest of the School District, all *Lease Agreements* should be properly executed with all the required signatures prior to the use of facilities by lessees.

***Management's Response***

*[Former Principal] Concur. The treasurer will speak with the leasing coordinator on the protocol to move forward.*

**John F. Kennedy Middle School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1901 Avenue "S"  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2017: Corey Brooks  
During Audit: Corey Brooks

Treasurer:  
Fiscal Year 2017: Linda Mathis  
During Audit: Linda Mathis

**Cash and Investments**

Checking	\$ 17,129.35
Investments	
	\$ 17,129.35

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 2,878.63	\$ 28,042.70	\$ 26,128.67	\$ 3,396.81	\$ 3,396.81	\$ 4,792.66
Music	0.26	0.00	0.00	0.00	0.00	0.26
Classes	1,880.27	37,069.75	38,147.95	3,525.25	4,276.82	50.50
Clubs	727.25	1,221.50	3,369.34	2,241.00	60.00	760.41
Departments	903.35	14,458.70	8,688.68	5,605.21	7,605.22	4,673.36
Trusts	5,712.73	15,931.74	14,951.77	429.14	465.73	6,656.11
General	2,897.64	8,510.49	11,819.25	5,006.22	4,399.05	196.05
	\$ 15,000.13	\$ 105,234.88	\$ 103,105.66	\$ 20,203.63	\$ 20,203.63	\$ 17,129.35

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of records for sample disbursements and P-Card purchases found that:

- Disbursement #20150 (for \$1,241.40) was for the rental of an Obstacle Course with attendants for the Winterfest activities. Although the school obtained a *Certificate of Insurance* from the vendor, the required *School District Consultant Agreement (PBSD 1420)* was not completed.
- Disbursement #20225 (for \$1,334.87) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.

### Recommendation

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) the consultant's background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465 (Jessica Lunsford Act)*.
- A *Purchase Order* approved by the Principal should be issued for each purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase.

### Management's Response

*Concur. Treasurer and Principal will make sure all consultant agreements are completed prior to the day of the event.*

## LEASING OF SCHOOL FACILITIES

### Finding

Lease #1008 was recorded in the Tririga system and had a total contract amount of \$85. However, no fees were collected from the lessee. Also, the *Lease Agreement* was neither signed by the lessee nor a witness.

**Recommendation**

As required by *School Board Policy 7.18*, “fees are to be paid by check or credit card at least forty-eight (48) hours prior to use of a facility.” The school should recoup the \$85 in unpaid rental charges. To protect the best interests of the school and the School District, *Lease Agreements* should be properly executed for all lessees who use the school facilities.

***Management’s Response***

*Concur. Treasurer will make sure all leases that did not occur are cancelled within the same year.*

**Jupiter Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 15245 North Military Trail  
Jupiter, FL 33458

Principal:  
Fiscal Year 2017: Lisa Hastey  
During Audit: Lisa Hastey

Treasurer:  
Fiscal Year 2017: Marianela Bennett/Lashante Henderson  
During Audit: Lashante Henderson

**Cash and Investments**

Checking	\$ 203,531.21
Investments	
	\$ 203,531.21

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 14,950.40	\$ 14,127.06	\$ 14,172.07	\$ 3,333.26	\$ 3,333.26	\$ 14,905.39
Music	14,031.99	265,759.68	244,610.91	70,806.21	71,321.94	34,665.03
Classes	12,215.04	52,971.00	49,893.36	2,810.85	4,158.46	13,945.07
Clubs	17,809.02	17,623.99	15,943.60	4,479.77	4,542.77	19,426.41
Departments	54,355.11	69,274.05	72,951.98	11,555.31	14,691.66	47,540.83
Trusts	54,327.89	71,279.83	61,832.70	1,474.61	443.56	64,806.07
General	10,750.91	2,070.90	8,611.04	5,766.65	1,735.01	8,242.41
	\$ 178,440.36	\$ 493,106.51	\$ 468,015.66	\$ 100,226.66	\$ 100,226.66	\$ 203,531.21

## DEPOSIT OF MONIES

### **Finding**

The review of money collection process and sample *Monies Collected Reports* (MCRs) at the school found that \$500 in cash collected through MCR #924-20 was retained by the sponsor for two working days before it was put into the drop-safe for deposit.

### **Recommendation**

*DOE Rules* and *Internal Accounts Manual* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could result in potential irregularities.

### **Management's Response**

*Concur. Conference held with sponsor 8/15/17 (the day after audit was completed). Additionally, the bookkeeper will retrain staff at faculty meeting on 11/7/17.*

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of sample disbursement documentation revealed that disbursement #13266 (for \$10,000) was for the purchase of coupon books. However, the purchase contract was signed by the sponsor in lieu of the Principal.

### **Recommendation**

All contracts should be approved by the Principal as required by *School Board Policy 6.14(4)*, which states “*the School Board has delegated limited authority to ... School Principals relating to the purchase of commodities and contractual services ...*”

### **Management's Response**

*Concur. Conference held with sponsor 8/15/17 (the day after audit was completed). Additionally, the bookkeeper will retrain staff at faculty meeting on 11/7/17.*

### **Additional Comments**

*Thank you very much for bringing these issues to our attention.*

**Lake Shore Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 425 West Canal Street North  
Belle Glade, FL 33430

Principal:  
Fiscal Year 2017: Anthony Lockhart  
During Audit: Anthony Lockhart

Treasurer:  
Fiscal Year 2017: Mary Rolle  
During Audit: Mary Rolle

**Cash and Investments**

Checking	\$ 22,933.59
Investments	
	\$ 22,933.59

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 1,072.74	\$ 7,081.54	\$ 5,337.12	\$ 5,589.29	\$ 5,589.29	\$ 2,817.16
Music	430.97	3,362.12	2,984.29	1,980.12	1,980.12	808.80
Classes	1,755.36	38,523.06	38,249.65	10,131.63	10,131.63	2,028.77
Clubs	3,118.44	12,679.75	11,786.70	4,097.83	4,097.83	4,011.49
Departments	1,570.33	5,444.50	3,601.85	1,439.29	1,439.29	3,412.98
Trusts	3,077.88	14,649.35	7,940.46	0.00	0.00	9,786.77
General	333.08	3,019.04	3,284.50	1,145.39	1,145.39	67.62
	\$ 11,358.80	\$ 84,759.36	\$ 73,184.57	\$ 24,383.55	\$ 24,383.55	\$ 22,933.59

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

- The Beta Club Shirt Sales (Account #4-0440.03) did not have the required *Fundraising Application/Recap Form*.
- Information was missing from the *Sales Item Inventory Reports* for the Beta Club Fundraiser-Doughnuts (Account #4-0440.01) and the Beta Club Shirts (Account #4-0440.03). Missing information included the quantity of items purchased and sold, item sales prices, and the sales revenue.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented on the *Fundraising Application/Recap Form*. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.
- To ensure proper fiscal accountability, *Sales Item Inventory Report* should be completed with all the accurate information. This should assist staff in (1) reconciling sales revenues and (2) tracking items purchased, given-away, or remaining in inventory.

### Management's Response

*Concur. Teacher will be required to have an exit meeting upon the completion of the fundraiser.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchases found that three purchases with the school's P-Card (totaling \$1,059.82) during April 2017, included payment of \$51.52 in sales tax. All purchases by the school should be tax exempted.

### **Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and the related District guidelines. Specifically, the School District is a tax-exempt governmental entity, and should not pay sales tax for qualified purchases by school.

### **Management's Response**

*Concur.*

## **LEASING OF SCHOOL FACILITIES FINDING**

### **Finding**

The review of sample leases for use of school facilities found that:

- Lease #1001 (for \$2,730) was for the use of facilities during October 24, 2016 through May 22, 2017. However, the leasing charges were not collected until June 21, 2017, eight months after the start of facility use. The Principal and Treasurer stated that the cause of the delay was due to technical difficulties in setting up the Principal in the Tririga System.
- Lease Agreement #1002 (for \$1,920) was not signed and dated by the lessee or by the witness, and no fees were collected. The Treasurer indicated that the lessee never used the facilities. However, the lease was not cancelled in the Tririga System. As a result, the Tririga System overstated the school's leasing revenue by \$1,920.

### **Recommendation**

Leasing of school facilities should be administered in accordance with *School Board Policy 7.18* and related District guidelines. Specifically,

- As required by *School Board Policy 7.18*, "fees are to be paid by check or credit card at least forty-eight (48) hours prior to use of a facility."
- To ensure Lease Agreements are legally enforceable, they should be properly executed with all the required signatures, prior to the use of facilities by lessees. Changes to the leasing terms should be entered into the Tririga system.

### **Management's Response**

*Concur. The system would not allow us to complete the transaction because the previous principal's information was still in the system.*

**Lake Worth Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1300 Barnett Drive  
Lake Worth, FL 33461

Principal:  
Fiscal Year 2017: Mike Williams  
During Audit: Mike Williams

Treasurer:  
Fiscal Year 2017: Silvia Torres  
During Audit: Silvia Torres

**Cash and Investments**

Checking	\$ 34,442.61
Investments	
	\$ 34,442.61

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 3,116.21	\$ 6,912.00	\$ 7,470.31	\$ 4,590.45	\$ 4,590.45	\$ 2,557.90
Music	42.74	2,934.28	2,451.00	792.97	862.97	456.02
Classes	0.00	380.00	380.00	0.00	0.00	0.00
Clubs	4,183.08	5,437.00	5,185.57	1,552.69	1,385.59	4,601.61
Departments	7,413.63	25,905.48	19,139.27	10,733.18	10,756.02	14,157.00
Trusts	5,670.10	18,183.34	17,997.35	374.39	1.95	6,228.53
General	8,437.42	16,057.33	17,606.50	2,670.23	3,116.93	6,441.55
	\$ 28,863.18	\$ 75,809.43	\$ 70,230.00	\$ 20,713.91	\$ 20,713.91	\$ 34,442.61

Lake Worth Middle School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Lantana Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1225 West Drew Street  
Lantana, FL 33462

Principal:  
Fiscal Year 2017: Edward Burke  
During Audit: Edward Burke

Treasurer:  
Fiscal Year 2017: Leona Burgess-Dotson  
During Audit: Leona Burgess-Dotson

Community School Director:  
Fiscal Year 2017: Cheri Anderson  
During Audit: Cheri Anderson

**Cash and Investments**

Checking	\$ 40,572.80
Investments	
	\$ 40,572.80

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 208.09	\$ 12,020.56	\$ 10,995.33	\$ 8,280.34	\$ 8,230.95	\$ 1,282.71
Music	0.00	8,465.34	8,476.95	2,749.71	2,712.31	25.79
Classes	7,159.75	24,800.00	27,489.85	7,752.17	7,752.17	4,469.90
Clubs	916.48	4,551.00	4,291.13	2,034.10	2,185.52	1,024.93
Departments	18,526.38	13,594.05	16,695.10	5,583.15	5,612.37	15,396.11
Trusts	12,137.26	59,564.07	57,521.33	145.08	650.65	13,674.43
General	2,999.77	30,547.75	29,448.01	10,362.59	9,763.17	4,698.93
	\$ 41,947.73	\$ 153,542.77	\$ 154,917.70	\$ 36,907.14	\$ 36,907.14	\$ 40,572.80

Lantana Middle School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**L.C. Swain Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 5332 Lake Worth Road  
Greenacres, FL 33463

Principal:  
Fiscal Year 2017: James Thomas  
During Audit: James Thomas

Treasurer:  
Fiscal Year 2017: Carmen Keeling  
During Audit: Carmen Keeling

**Cash and Investments**

Checking	\$ 60,109.99
Investments	
	\$ 60,109.99

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 6,331.50	\$ 17,861.14	\$ 16,416.23	\$ 8,307.99	\$ 8,480.34	\$ 7,604.06
Music	1,606.20	3,785.56	4,192.29	2,636.00	2,636.00	1,199.47
Classes	3,066.19	54,339.16	55,703.49	2,559.53	4,017.32	244.07
Clubs	7,930.60	15,033.08	18,295.09	6,413.10	4,647.21	6,434.48
Departments	7,092.16	23,351.54	20,777.78	4,324.40	4,415.15	9,575.17
Trusts	21,364.79	13,093.49	16,324.93	1,061.98	1,797.98	17,397.35
General	13,197.06	38,277.82	34,510.49	21,104.53	20,413.53	17,655.39
	\$ 60,588.50	\$ 165,741.79	\$ 166,220.30	\$ 46,407.53	\$ 46,407.53	\$ 60,109.99

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports (MCRs)* and money collection process at the school revealed that:

- *Section 1* of the *Drop-safe Log* was not always completed with all the required information. Missing information included the dates of collections and the dates when the collections were put into the drop-safe.
- Sections 2 and 3 of the *Drop-safe Log* (for 5 collections totaling \$1,776.42) did not always have proof that an independent verifier was present to verify the deposit information.
- Monies collected were not always deposited in a timely manner. For example, \$270.25 collected through two MCRs #903-9 and #903-13 was retained by the sponsors for one to nine working days before the money was put into the drop-safe for deposit.
- At year-end, the Lease Coordinator did not turn in the yellow copies of the MCRs and the computerized receipts to the school secretary for record keeping.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff-verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- As required by *DOE Rules* and *District Bulletin #P-14051-S/CFO*, monies collected should be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could increase the exposure to sponsors and result in potential irregularities.
- As required by *Internal Accounts Manual, Chapter 7's Record Retention Requirements*, "Teacher/sponsors should submit their yellow copies of the MCRs and computerized receipts to the School Secretary..."

***Management's Response***

*Concur. Necessary adjustments as well as audit recommendations will be implemented.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of prenumbered documents found that the new *Drop-safe Logs* were kept by the school treasurer instead of the designated Document Custodian of the *Drop-safe Log*.

**Recommendation**

To ensure proper fiscal controls and accountability, both new and used *Drop-safe Logs* should be maintained by the designated Document Custodian. As required by ***Chapter 27 of the Internal Accounts Manual***, the *Logs* should be inventory-checked monthly by the document custodian and the results recorded on the *Prenumbered Document Inventory Register* (PBSD 0160).

***Management's Response***

*Concur. Recommendations were implemented immediately after meeting with auditor.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser records found that:

- A total of \$1,750 in sales revenue was deposited into the Band Discount Cards Account (#2-1000.15) during September 14 through 20, 2016. However, based on the school's purchasing records, *Sales Item Inventory Report* for Fiscal Year 2017, and our observation of physical inventory on August 17, 2017, this fundraiser should have generated a total estimated revenue of \$3,550 during this period. As a result, \$1,800 (\$3,550 - \$1,750, or 51%) in estimated revenue was unaccounted for. Also, 9 discount cards with a total estimated resale value of \$180 were given-away without records documenting the purpose and the recipients for the gifts.

L.C. Swain Middle School  
 Management Letter  
Year Ended June 30, 2017

Item	Quantity				Selling Price	Revenues	
	Beginning Inventory <sup>(1)</sup>	Purchases <sup>(2)</sup>	Items Given Away <sup>(1)</sup>	Inventory on Hand <sup>(3)</sup>			Units Sold
Discount Cards-Band	-	120	9	7	91	\$20	\$1,820
Discount Cards-Band	-	-	-	-	13	\$10	\$130
Discount Cards-Art	-	80	-	-	80	\$20	\$1,600
						Total Estimated Revenue	\$3,550
						Total \$ Deposited into Internal Funds	\$1,750
						<b>Estimated Revenues Unaccounted For</b>	<b><u>\$1,800</u></b>

- (1) Based on FY17 Sales Item Inventory Report.
- (2) Based on purchasing records during September 14, 2016 through September 20, 2016.
- (3) Based on our observation of physical inventory on August 17, 2017.

According to the band teacher, the numbers reported on the *Sales Item Inventory Report* were “plugged in” to match the money collected. Records were not maintained for how much each student collected. As the invoice payment deadline approached, the band teacher said he sold the discount cards at cost in an attempt to collect enough to pay the invoice. Monies collected by the art teacher were given to the band director without documentation to deposit. Moreover, the purchase agreement for the discount cards was signed by the band director instead of the Principal.

- The *Sales Item Inventory Report* for the following three fundraisers were neither reviewed nor approved by the Principal: (1) 8<sup>th</sup> Grade T-Shirts, (2) Band Discount Cards, and (3) Band T-Shirts and Polo Shirts.
- The 8<sup>th</sup> Grade T-shirt sales (Account #3-3800.02) had a total sales revenue of \$301, which was deposited into the Internal Funds during the period July 1, 2016 through June 30, 2017. However, based on the school’s purchasing records, 170 shirts were purchased for resale at \$10 each, and should have generated a total estimated revenue of \$1,700. According to the sponsor, 124 T-shirts were given to students for a field trip. The price for the field trip was inclusive of the T-shirt. Consequently, \$159 in estimated revenue was unaccounted for.

L.C. Swain Middle School  
 Management Letter  
Year Ended June 30, 2017

Item	Quantity					Selling Price	Revenues
	Beginning Inventory (1)	Purchases (2)	Items Given Away (3)	Inventory On Hand (1)	Units Sold		
8 <sup>th</sup> Gr. T-Shirts	0	170	124	0	46	\$10	\$460

Total Estimated Revenues \$460

Total Sales Revenues Collected \$301

**Estimated Revenues Unaccounted For \$159**

- (1) Based on FY17 Sales Item Inventory Report.
- (2) Based on purchasing records during July 1, 2016, through June 30, 2017.
- (3) According to sponsor and Field Trip Planning/Activity Request

- The Band T-Shirts and Polo Shirts Account (# 2-1000.06) had \$371.00 in deficit at the year-end. The school purchased 52 Polo Shirts (@\$26 each) for resale; however, they were sold at \$20, \$6 below cost.

**Recommendation**

Fundraisers should be administered in accordance with **School Board Policy 2.16** and related District guidelines. Specifically,

- Fundraiser sponsor should complete the *Sales Item Inventory Report* with accurate information for the fundraising activity. To account for items given-away free-of-charge or missing, the *Report* should be approved by the Principal.
- All contracts should be approved by the Principal as required by **School Board Policy 6.14(4)**, which states “*the School Board has delegated limited authority to ... School Principals relating to the purchase of commodities and contractual services ...*”
- To protect the school’s best interest and ensure proper fiscal accountability, *Sales Item Inventory Report* should be accurately completed with all needed information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.

**Management’s Response**

*Concur. All audit recommendations have been implemented. Principal and district staff interviewed band and art teachers.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchases found that:

- Disbursement #12117 (for \$3,261.62) exceeded the \$1,000 *Purchase Order* threshold but did not have the required *Purchase Orders*.
- Disbursement #12123 (for \$150) was for payment to a consultant who performed the DJ service during the November 15, 2016, Talent Show Event. The disbursement was supported with an invoice. However, the *School District Consultant Agreement (PBSD 1420)* was not dated by the consultant nor approved by the Principal.
- Two disbursements and one P-Card purchases did not have adequate supporting documentation for the expenses:
  - Disbursement #12077 (for \$110.00) was supported by the requestor's membership application form instead of an itemized receipt or a vendor statement.
  - Disbursement #12143 (for \$26.98) was for refreshments at a staff meeting. However, no documentation was maintained indicating the purposes and attendees of the function.
  - A \$250 P-Card transaction which occurred on October 17, 2016 was supported by credit receipts that did not have the details of the items purchased.
- Supporting documents were not always defaced after payment was made. For example, the supporting documents, for two sample disbursements (#12150 and #12276 totaling \$20,121.91) were not defaced after payment. Defacing supporting document should help prevent potential duplicate payments.
- The school paid a total of \$4.88 in sales tax for two tax-exempt P-Card purchases (totaling \$86.07) during October of 2016.

### Recommendation

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

L.C. Swain Middle School  
Management Letter  
Year Ended June 30, 2017

- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- Pursuant to the District's ***Purchasing Manual*** and ***Internal Accounts Manual***, all Internal Funds purchases require (1) Principal's approval prior to the purchase; and (2) *Purchase Order* should be issued for purchase in excess of \$1,000.
- To protect the safety and welfare of students, prior to a consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed, and (2) most importantly, the consultant's background and clearance check must have been conducted and cleared as required by *Section 8 of the Agreement* and ***Florida Statutes §1012.465 (Jessica Lunsford Act)***.
- To avoid potential duplicate payments, supporting documentation should be defaced (stamped "PAID") after payment.
- The School District is a tax-exempt governmental entity, and should not pay sales tax for qualified purchases.

***Management's Response***

*Concur. Implementation of district recommendations has occurred.*

**Loggers' Run Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 11584 West Palmetto Park Road  
Boca Raton, FL 33428

Principal:  
Fiscal Year 2017: Ed Capitano  
During Audit: Ed Capitano

Treasurer:  
Fiscal Year 2017: Mary Terese Ott  
During Audit: Mary Terese Ott

**Cash and Investments**

Checking	\$ 289,947.26
Investments	
	\$ 289,947.26

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 2,712.74	\$ 6,466.00	\$ 5,252.18	\$ 2,338.00	\$ 2,338.00	\$ 3,926.56
Music	15,872.35	71,821.56	75,553.37	20,668.42	20,768.42	12,040.54
Classes	0.00	18,195.00	17,540.27	929.00	829.00	754.73
Clubs	16,449.65	18,540.23	20,880.51	5,245.39	4,855.39	14,499.37
Departments	50,153.11	47,398.25	37,435.37	14,795.25	12,848.42	62,062.82
Trusts	186,216.72	98,662.16	109,393.00	0.00	2,401.97	173,083.91
General	31,097.58	10,869.70	18,453.09	2,376.00	2,310.86	23,579.33
	\$ 302,502.15	\$ 271,952.90	\$ 284,507.79	\$ 46,352.06	\$ 46,352.06	\$ 289,947.26

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- Certain information was missing from *Section 3* for two pages (#s 50-13804 and 50-13805) of the *Drop-safe Log*. Missing information the verifier's initials and the receipt numbers.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the Log before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the Log to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the Log after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur*

## SAFE SCHOOL PROGRAM

### Finding

The review of records for the Safe School Program found that:

- The *Record of Payment Forms* (PBSD 1652) were not used to account for fees collected.
- Attendance records for the months of November through May 2017 were missing.

Due to the lack of complete fee collection records, there is no assurance that all program fees were properly accounted for.

### **Recommendation**

Safe School Program should be administered in accordance with *Middle School Afterschool Program Handbook* and District guidelines. Specifically,

- To ensure proper fiscal accountability, payment history should be recorded on the *Record of Payment Forms* (PBSD 1652) for each student; and *Classroom Receipts* should be issued for fee collections.
- All records, including student attendance and parent sign-out, should be retained for a time period consistent with District's *Record Retention Schedule*.

### **Management's Response**

*Concur. After Care Director is aware and will correct going forward.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of controls in prenumbered documents found the following:

- The *Document Custodian Assignment Register (PBSD 1663)* was not approved by the Principal.
- The *Prenumbered Document Inventory Register (PBSD 0160)* for the *School Checks, Drop-safe Logs* and *Prenumbered Tickets* were not completed with all the required information. Missing information included the ending inventory, number of documents and tickets used during the year.

### **Recommendation**

To ensure proper fiscal accountabilities and as required by *Chapter 27 of the Internal Accounts Manual*,

- Designated staff should be assigned as document custodian for each prenumbered form; and the assignment should be recorded on the *Document Custodian Assignment Register (PBSD 1663)* and approved by the Principal.

Loggers' Run Middle School  
Management Letter  
Year Ended June 30, 2017

- Prenumbered documents should be periodically inventoried in accordance with the Inventory Schedule, and the inventory checks should be documented on the *Prenumbered Document Inventory Register (PBSD 0160)* accordingly.

***Management's Response***

*Concur. Document Custodian duties assigned to different employee.*

**Odyssey Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 6161 Woolbright Road  
Boynton Beach, FL 33437

Principal:  
Fiscal Year 2017: Bonnie Fox  
During Audit: Bonnie Fox

Treasurer:  
Fiscal Year 2017: Joanni Mullaney  
During Audit: Yohanna Brutus

**Cash and Investments**

Checking	\$ 4,312.57
Investments	
	\$ 4,312.57

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$ 8,338.35	\$ 10,220.48	\$ 5,574.55	\$ 3,692.42	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	553.00	17,618.61	17,497.01	1,717.64	2,392.24	0.00
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	0.00	12,148.41	9,684.15	7,419.80	9,884.06	0.00
Trusts	3,145.42	23,953.17	26,721.43	0.00	0.00	377.16
General	3,393.10	24,050.02	24,764.44	5,525.33	4,268.60	3,935.41
	\$ 7,091.52	\$ 86,108.56	\$ 88,887.51	\$ 20,237.32	\$ 20,237.32	\$ 4,312.57

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsors for the following two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017: (1) Yearbook Sales and (2) OMS Polo Shirts.
- The Yearbook Sales (Account #5-0450.00) did not have the required *Sales Item Inventory Report*. A total of \$1,505 in sales revenue was deposited into the Internal Funds during July 1, 2016, through June 30, 2017. Based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of \$1,750 (50 books @ \$35). As a result, \$245 (14%) in estimated revenue was unaccounted for.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure staff is familiar with and comply with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.
- The *Sales Item Inventory Report* should be prepared and completed with accurate information. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing.

### Management's Response

*Concur. Sponsors for fundraising accounts have completed training for FY18 and proper procedures in place. Teacher/sponsors are aware of documentation needed upon completion of fundraisers.*

**Okecheelee Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 2200 Pinehurst Drive  
Greenacres, FL 33463

Principal:  
Fiscal Year 2017: David Samore  
During Audit: David Samore

Treasurer:  
Fiscal Year 2017: Sandra Hernandez  
During Audit: Mery Marrasquin

**Cash and Investments**

Checking	\$ 118,033.82
Investments	
	\$ 118,033.82

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 2,759.82	\$ 5,958.72	\$ 5,683.13	\$ 3,534.96	\$ 3,534.96	\$ 3,035.41
Music	3,403.06	16,809.18	17,456.97	7,417.82	7,417.82	2,755.27
Classes	12,027.08	59,550.55	61,233.66	8,085.68	8,060.68	10,368.97
Clubs	12,549.07	11,178.53	12,201.08	4,858.40	4,965.55	11,419.37
Departments	58,661.88	58,206.13	57,992.66	22,820.25	22,021.74	59,673.86
Trusts	16,886.00	23,587.79	20,077.64	2,251.48	0.00	22,647.63
General	724.67	62,923.67	52,547.19	14,640.31	17,608.15	8,133.31
	\$ 107,011.58	\$ 238,214.57	\$ 227,192.33	\$ 63,608.90	\$ 63,608.90	\$ 118,033.82

## DEPOSIT OF MONIES

### Finding

The review of money collection process and sample *Monies Collected Reports* (MCRs) found that:

- MCRs were not always completed with all the required information. For example, three MCRs (#783-45, #792-9 and #792-22 totaling \$915), did not indicate the check numbers for three checks totaling \$285.
- Monies collected were not always deposited in a timely manner. For example, a total of \$4,340.50 collected through seven MCRs (#774-1, #782-6, #784-2, #784-5, #784-12, #790-1 and #790-8) were not timely processed by the school treasurer, with delays ranging from six to 11 days after collection.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Monies collected should be supported by MCRs, with all the required information including the check number when appropriate.
- *DOE Rules* and *District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted exposure and result in potential irregularities.

### Management's Response

*Concur. We will review with all involved parties to ensure compliance.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

Okeeheelee Middle School  
Management Letter  
Year Ended June 30, 2017

- The sponsor of the Baseball Chocolate Sale (Account #1-0510.01) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017.
- The *Sales Item Inventory Report* for the Student Shirt Sales (Account #7-0100.01) was not completed with accurate information. The *Report* indicated that 6,919 shirts were purchased for resale. However, the school's purchasing records indicated that only 5,184 shirts were purchased. Due to the lack of complete and accurate information, we were unable to determine if all revenues were accounted for.

**Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- *Sales Item Inventory Reports* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Significant discrepancies between the estimated revenue and actual collection should be investigated and resolved accordingly.

***Management's Response***

*Concur. We have spoken with involved parties and re-educated.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of records for leasing of school facilities found that:

- The school did not have the hard copy of Lease #1008, with all the required signatures.
- *Lease Agreements* #1009 and #1011 were signed and approved six and two days, respectively, after the lessees began using the facilities.

Okeeheelee Middle School  
Management Letter  
Year Ended June 30, 2017

**Recommendation**

To protect the best interest of the School District and ensure *Lease Agreements* are legally enforceable, they should be properly executed with all the required signatures prior to use.

***Management's Response***

*Concur. We have retrained all involved parties.*

**Omni Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 5775 Jog Road  
Boca Raton, FL 33496

Principal:  
Fiscal Year 2017: Gerald Riopelle  
During Audit: Gerald Riopelle

Treasurer:  
Fiscal Year 2017: Mirtha V. Mohammadzadeh  
During Audit: Mirtha V. Mohammadzadeh

**Cash and Investments**

Checking	\$ 104,018.99
Investments	
	\$ 104,018.99

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 25,177.16	\$ 12,607.00	\$ 13,161.64	\$0.00	\$0.00	\$ 24,622.52
Music	10,840.36	46,739.85	52,537.55	12,522.31	12,522.31	5,042.66
Classes	636.96	76,023.00	75,375.88	647.12	647.12	1,284.08
Clubs	10,593.20	3,285.40	7,344.06	0.00	0.00	6,534.54
Departments	41,042.39	107,847.73	123,749.58	6,850.28	7,920.29	24,070.53
Trusts	28,247.14	45,098.91	46,542.49	5,740.00	5,740.69	26,802.87
General	15,400.04	17,327.75	18,136.70	12,016.86	10,946.16	15,661.79
	\$ 131,937.25	\$ 308,929.64	\$ 336,847.90	\$ 37,776.57	\$ 37,776.57	\$ 104,018.99

Omni Middle School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Osceola Creek Middle School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 6775 180th Avenue North  
Loxahatchee, FL 33470

Principal:  
Fiscal Year 2017: Nicole Daly  
During Audit: Nicole Daly

Treasurer:  
Fiscal Year 2017: Tracy Guianaugh  
During Audit: Tracy Guianaugh

**Cash and Investments**

Checking	\$ 101,298.74
Investments	
	\$ 101,298.74

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 7,627.83	\$ 12,210.68	\$ 12,765.45	\$ 7,690.99	\$ 7,690.99	\$ 7,073.06
Music	4,095.21	14,087.90	13,942.19	4,247.47	4,247.47	4,240.92
Classes	548.44	6,155.00	4,787.47	1,618.78	1,665.40	1,869.35
Clubs	3,433.93	17,231.73	13,920.06	8,425.45	9,027.33	6,143.72
Departments	18,469.79	48,528.30	47,292.02	16,849.99	16,306.61	20,249.45
Trusts	12,348.01	29,787.58	14,675.15	16.50	210.52	27,266.42
General	24,764.89	37,187.20	27,795.41	15,090.79	14,791.65	34,455.82
	\$ 71,288.10	\$ 165,188.39	\$ 135,177.75	\$ 53,939.97	\$ 53,939.97	\$ 101,298.74

Osceola Creek Middle School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Palm Springs Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1560 Kirk Road  
Palm Springs, FL 33461

Principal:  
Fiscal Year 2017: Sandra Jinks  
During Audit: Sandra Jinks

Treasurer:  
Fiscal Year 2017: Lori Cayea  
During Audit: Claudia Verner

Community School Director:  
Fiscal Year 2017: Sean Ashworth  
During Audit: Sean Ashworth

**Cash and Investments**

Checking	\$ 121,161.61
Investments	
	\$ 121,161.61

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 10,129.32	\$ 10,018.51	\$ 7,795.22	\$ 4,013.70	\$ 7,112.70	\$ 9,253.61
Music	12,090.91	17,471.05	18,278.74	11,517.81	11,117.81	11,683.22
Classes	1,753.40	20,453.49	22,611.32	3,812.23	161.67	3,246.13
Clubs	45,358.43	18,365.44	54,101.10	3,853.11	10,443.81	3,032.07
Departments	24,561.98	50,574.52	48,818.95	12,763.25	11,294.80	27,786.00
Trusts	54,466.52	81,208.97	90,556.03	1,748.90	816.70	46,051.66
General	37,379.13	66,164.23	86,672.93	39,228.03	35,989.54	20,108.92
	\$ 185,739.69	\$ 264,256.21	\$ 328,834.29	\$ 76,937.03	\$ 76,937.03	\$ 121,161.61

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsor of the Shirt Shack fundraiser (Account #7-0100.01) did not complete the required eLearning Fundraiser Training Course.
- The Yearbook Sales (Account #5-0450.02) did not have the required *Sales Item Inventory Report*.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure staff is familiar with and complying with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.
- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the Sales Item Inventory Report should be approved by the Principal to confirm the ending inventory, if any.

### Management's Response

*Concur. Palm Springs Middle will follow district guidelines for future fundraising procedures. Staff has been updated on the procedures.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card records found that two Disbursements (#13220 for \$1,228 and #13402 for \$2,496.31) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.

**Recommendation**

Pursuant to the District's *Purchasing Manual* and *Internal Accounts Manual*, all Internal Funds purchases require (1) Principal's approval prior to the purchase; and (2) *Purchase Order* should be issued for purchase in excess of \$1,000.

**Management's Response**

*Concur. Palm Springs Middle will follow the district guidelines P-card rules have been reviewed.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that the school did not always perform the monthly inventory-check for the School Checks and *Drop-safe Logs*.

**Recommendation**

To ensure all *Drop-safe Logs* are properly accounted for and complying with *Chapter 27 of the Internal Accounts Manual*, the designated document custodian for *School Checks* and *Drop-safe Logs* should use the *Prenumbered Document Inventory Register* (PBSD 0160) to account for the usage and monthly inventory-check of these documents.

**Management's Response**

*Concur. Drop safe logs will now be scanned monthly to ensure compliance.*

**Polo Park Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 11901 Lake Worth Road  
Lake Worth, FL 33467

Principal:  
Fiscal Year 2017: Ann Clark  
During Audit: Ann Clark

Treasurer:  
Fiscal Year 2017: Jenny Weinerman  
During Audit: Denise Pondiscio

**Cash and Investments**

Checking	\$ 82,764.34
Investments	
	\$ 82,764.34

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 7,723.89	\$ 15,051.00	\$ 18,862.41	\$ 2,953.52	\$ 2,953.52	\$ 3,912.48
Music	0.00	3,785.15	3,388.84	0.00	0.00	396.31
Classes	1,364.65	9,500.00	7,308.76	2,245.00	2,170.00	3,630.89
Clubs	3,545.25	16,590.90	8,622.43	1,100.08	1,106.70	11,507.10
Departments	36,999.28	54,600.63	71,506.78	16,559.78	16,669.96	19,982.95
Trusts	58,475.41	118,671.80	138,640.98	98.53	173.53	38,431.23
General	7,869.01	11,929.42	15,011.85	7,290.97	7,174.17	4,903.38
	\$ 115,977.49	\$ 230,128.90	\$ 263,342.05	\$ 30,247.88	\$ 30,247.88	\$ 82,764.34

## ACCOUNTS PAYABLE

### Finding

As of June 30, 2017, the school had a total debt of \$23,537.09, payable to the Central Office. Of the \$23,537.09 in debts, \$22,819.84 was cumulative expenses incurred during School Years 2008 (\$21,646.88) and 2009 (\$1,172.96).

### Recommendation

The school should develop a payment plan to address the unpaid debts.

### *Management's Response*

*Polo Park students should not be held responsible for previous principal's fiscal mismanagement. Please discuss with Chief Financial Officer so that it can be taken off my yearly audits.*

## DEPOSIT OF MONIES

### Finding

The review of money collection process and sample *Monies Collected Reports* (MCRs) at the school found that some sponsors did not always record the deposit information on the *Drop-safe Log* before dropping the monies into the safe. For example, the sponsors for five collections (totaling \$338.25) did not record the deposit information on the *Log* (page #s 14-46654, 14-46651, 14-46610, and 14-46609). Instead, the information was subsequently recorded on the *Log* by another staff member after the monies were removed from the drop-safe for processing.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically, responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system by entering the *Official Receipt* number on the *Log*.

***Management's Response***

*Concur. Additional training will be held on collection and depositing money.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser records found that:

- The sponsors for the Agenda Sales (Account #7-0100.01) and Yearbook Sales (Account #5-0450) did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2017.
- Two fundraisers (Yearbook Sales and Charity Wristbands) did not have the required *Sales Item Inventory Reports*.
- The sponsor for the Charity Wristbands fundraiser (Account # 5-2100.05) did not complete the Recap Section (Actual Sales).

**Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure staff is familiar with and complying with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.
- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the actual sales revenue with the estimated revenue.
- Failure to prepare the related reports for fundraisers defeat the purpose of controls and could result in undetected loss of school assets.

***Management's Response***

*Concur. All sponsors of fundraisers will take eLearning course. Fundraisers will not be allowed without documentation of this course.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchases found that:

- Two P-card purchases (totaling \$1,014.97) occurred during December 2016 did not have adequate supporting documentation for the expenses. One purchase for \$55 was supported by an account Inquiry Detail which did not indicate the description of the items purchased. The other expenditure for \$959.97 was supported by a quote for \$1,559.97.
- The *Purchase Order* for disbursement (#12571 for \$4,499.10) was not approved by the Principal until 70 days after the date for check payment.

### Recommendation

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and the related District guidelines. Specifically,

- All expenses should be supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- *Purchase Orders* approved by the Principal are required for purchases in excess of \$1,000. This will help ensure that funds are and will be available for the purchase. Moreover, all purchases should be preapproved by the Principal.

### Management's Response

*Concur. Internal accounts procedures and P-card procedures will be reviewed with staff.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of records for leasing of school facilities found that the leasing information for lease #1002 was recorded in the Tririga System. However, the school did not have a hard copy of the executed *Lease Agreement* that contained all the required signatures. In addition, based on the Tririga System, leasing charges for this lease totaled \$1,440; however, only \$1,184.45 was collected from the lessee.

### **Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- To ensure *Lease Agreements* are legally enforceable, they should be properly executed with all the required signatures prior to the use of facilities by lessees. In addition to recording leasing activities in the Tririga System, the school should also maintain a hard copy of the executed *Lease Agreement* for future reference.
- As required by ***School Board Policy 7.18***, “*fees are to be paid by check or credit card at least forty-eight (48) hours prior to use of a facility.*” The school should recoup the \$255.55 (\$1,440 - \$1,184.45) unpaid balance for Lease #1002 from the lessee.

### ***Management’s Response***

*Concur. Leasing procedures will be reviewed with those who handle leases.*

**Roosevelt Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1900 North Australian Avenue  
West Palm Beach, FL 33407

Principal:  
Fiscal Year 2017: Moneek McTier  
During Audit: Moneek McTier

Treasurer:  
Fiscal Year 2017: Dawnette Smith  
During Audit: Dawnette Smith

**Cash and Investments**

Checking	\$ 107,767.06
Investments	
	\$ 107,767.06

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 6,577.15	\$ 24,817.19	\$ 24,336.76	\$ 5,471.51	\$ 5,471.51	\$ 7,057.58
Music	4,343.85	13,206.00	12,742.07	0.00	0.00	4,807.78
Classes	6,318.64	44,280.50	40,476.08	120.00	8,471.41	1,771.65
Clubs	10,062.58	79,256.98	76,041.47	7,266.91	5,210.50	15,334.50
Departments	23,602.99	35,647.61	37,557.54	8,742.92	9,311.90	21,124.08
Trusts	34,165.10	58,294.22	47,728.00	13,855.37	13,877.68	44,709.01
General	7,228.41	4,641.63	5,793.87	9,810.09	2,923.80	12,962.46
	\$ 92,298.72	\$ 260,144.13	\$ 244,675.79	\$ 45,266.80	\$ 45,266.80	\$ 107,767.06

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that monies collected were not always deposited into the drop-safe in a timely manner. For example, \$10,885 collected through three MCRs (#819-10, #827-10, and #841-15) were retained by the sponsor for one to two working days before placing the money into the drop-safe for deposit.

### Recommendation

*DOE Rules* and *District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted liability and result in potential irregularities.

### Management's Response

*Concur. Staff were retrained and will sign indicating their understanding of the DOE and District rules.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

Disbursements #12439 (for \$13,298.10) and #12519 (for \$6,612.89) were payments for admission fee for the Out-of-County field trips to Universal Orlando and Busch Garden, respectively. However, the required *Temporary Duty Elsewhere (TDE) Forms* for the staff chaperones were not approved by the Area Superintendent.

### Recommendation

Field trips should be conducted in accordance with *School Board Policy 2.40* and related District guidelines. A *Field Trip/Activity Planning Report and Approval Request* and TDEs must be completed by the sponsor and pre-approved by the Principal and other appropriate supervisors, depending on the destination for each field trip.

***Management's Response***

*Concur. Staff were reminded of the policy and Administration will ensure that TDE's are routed appropriately.*

**SAFE SCHOOL PROGRAM**

**Finding**

The review of records for the Safe School Program found that the school did not maintain *Record of Payment Form* to account for fees collected from the Safe School Program. Due to the lack of fee payment documentation, there is no assurance that all program fees were collected.

**Recommendation**

To ensure proper fiscal accountability, payment history should be recorded on the individual *Record of Payments Form* for each student, and *Classroom Receipts* should be issued for fee collections.

***Management's Response***

*Concur. The aftercare director was using another form that she was given and now has a clear understanding of the appropriate form to use to show student payments.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of facility leasing found that:

- Leasing charges for four (#1034, #1038, #1050 and #1061) leases were not always collected prior to the use of facilities. Delays ranged from one to two days.
- *Lease Agreement* #1014 had a total contract amount of \$860, but only \$645 in rental fees were collected. According to staff, one-day rental for the lease was waived due to "closing of District facilities caused by Hurricane Matthew" after the lease was entered into the Tririga System. However, the original lease was not revised nor updated in the Tririga System for the waiver. As a result, the school's leasing income was overstated in the Tririga System by \$215.

**Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- ***School Board Policy 7.18***, requires that leasing charges “*are to be paid by check or credit card (no cash) at least forty-eight (48) hours prior to the use of a facility.*”
- Leasing information should be accurately recorded in the Tririga System; and the record should be updated accordingly with new information such as fee waivers, amendments in leasing arrangements.

***Management’s Response***

*Concur. Conferenced with the confidential secretary to ensure that she understands the expectations.*

**Tradewinds Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 5090 South Haverhill Road  
Greenacres, FL 33463

Principal:  
Fiscal Year 2017: Rebecca Subin  
During Audit: Rebecca Subin

Treasurer:  
Fiscal Year 2017: Lorraine Baker  
During Audit: Lorraine Baker

**Cash and Investments**

Checking	\$ 77,521.94
Investments	
	\$ 77,521.94

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 10,520.59	\$ 7,601.75	\$ 6,571.84	\$ 4,057.92	\$ 3,757.92	\$ 11,850.50
Music	9,878.62	12,967.85	12,283.67	2,161.44	3,121.49	9,602.75
Classes	14,796.88	71,091.15	74,877.84	8,723.83	7,734.76	11,999.26
Clubs	5,806.64	8,160.38	9,569.81	7,154.36	3,507.61	8,043.96
Departments	20,555.40	19,719.03	17,527.72	4,405.68	7,716.83	19,435.56
Trusts	3,747.91	21,782.25	17,302.81	139.37	123.40	8,243.32
General	9,909.48	37,312.66	38,194.96	16,345.23	17,025.82	8,346.59
	\$ 75,215.52	\$ 178,635.07	\$ 176,328.65	\$ 42,987.83	\$ 42,987.83	\$ 77,521.94

Tradewinds Middle School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Watson B. Duncan Middle School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 5150 117th Court North  
Palm Beach Gardens, FL 33418

Principal:  
Fiscal Year 2017: Phillip D'Amico  
During Audit: Phillip D'Amico

Treasurer:  
Fiscal Year 2017: Janine King  
During Audit: Janine King

**Cash and Investments**

Checking	\$ 175,309.31
Investments	
	\$ 175,309.31

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 6,448.33	\$ 10,211.00	\$ 11,475.08	\$ 1,437.23	\$ 1,437.23	\$ 5,184.25
Music	23,400.83	37,650.98	52,894.66	12,441.87	11,516.87	9,082.15
Classes	9,567.47	64,457.41	62,671.50	17,315.30	16,444.18	12,224.50
Clubs	24,305.50	32,473.26	39,382.09	8,819.89	9,995.06	16,221.50
Departments	111,138.49	147,794.38	162,168.75	41,314.33	33,844.53	104,233.92
Trusts	46,832.50	112,767.48	120,871.88	13,150.00	23,342.28	28,535.82
General	283.05	3,183.86	5,741.27	2,101.53	0.00	( 172.83)
	\$ 221,976.17	\$ 408,538.37	\$ 455,205.23	\$ 96,580.15	\$ 96,580.15	\$ 175,309.31

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- Money collected was not always deposited in the drop-safe in a timely manner. For example, \$4,295 collected through MCR #981-8 was retained by the sponsor for 27 working days before it was deposited into the drop-safe.
- Some sponsors did not attach the Official Receipts to the yellow copies of the MCRs when submitting these documents to the school secretary at the end of the school year for record retention.
- During the audit fieldwork, we noted that incoming mails were sorted and distributed by someone other than the school treasurer. However, those mails addressed to the treasurer were given to her for opening and processing.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- *DOE Rules* and *Internal Accounts Manual* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could result in unintended irregularities.
- As required by the *Sponsor's Checklist of Responsibilities* in the *Internal Accounts Manual, Chapter 7*, Teacher/sponsors should “compare the yellow copy of the MCR against the official receipt to confirm that funds were properly credited to the school's accounting records.”
- Incoming mails should be received and opened by different staff members. Payments, if any, received in the mails should be recorded on a *Monies Collected Report* (MCR) by the staff who opens the mail, prior to putting the collection into the drop-safe.

### Management's Response

*Concur. Notified staff of proper monies collected procedures and listed in employee handbook. Staff will review yellow copies and receipts to ensure completion before submitting to head*

*secretary. Office secretary will open items with treasurer's name on it before delivery to treasurer.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of documentation for sample fundraisers found that:

- The three sponsors of the following four fundraisers did not complete the eLearning Fundraiser Training Course prior to conducting the fundraiser activities:

<b>Activity</b>	<b>Account Number</b>	<b>Activity Began</b>	<b>eLearning</b>
P.E Uniforms Lock Rental	#5-1900.01 #5-1900.02	August 2016	Did Not Complete
Coupon Books Sales	#5-1580.02	August 22, 2016	Did Not Complete
8th Grade T-Shirt	#3-3800.01	November 2016	Did Not Complete

- The 8<sup>th</sup> Grade T-Shirts Sales (Account #3-3800.01) did not have the required *Fundraising Application/Recap Form* and *Sales Item Inventory Record*.
- The Coupon Book Sales (Account #5-1580.02) did not have the required *Sales Item Inventory Report*. A total of \$4,155 in sales revenue was deposited into the Internal Funds during October 18, 2016, through March 16, 2017. Based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of \$4,375. As a result, \$220 in estimated revenue was unaccounted for. Moreover, the Principal did not review and approve the *Sales Item Inventory Report*.
- The *Sales Item Inventory Report* for the P.E Lock Rentals (Account #5-1900.02) was not reviewed and approved by the Principal.

**Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to

Watson B. Duncan Middle School  
Management Letter  
Year Ended June 30, 2017

conducting fundraising activities.

- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the actual sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items, if any, that were given-away or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

***Management's Response***

*Concur. Treasurer is collecting eLearning certificates to ensure sponsor completion. Sales Item Inventory Report/Recap will be reviewed and approved for each fundraiser.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

The review of records for sample disbursements and P-Card purchases found that:

- Three disbursements did not have adequate supporting documentation for the expenses:
  - Disbursements #13746 (for \$10,894) and #13801 (for \$8,030) were supported by handwritten Order Forms and did not include paid receipts.
  - Disbursement #13880 (for \$150) was for a parent refund of Before & Afterschool Program fees. Although the sponsor signed a *Refund Request Form* and provided a copy of the *Program Registration Form*, evidence of original payments such as copies of the *Monies Collected Reports* or *Classroom Receipts* were not included.
- Disbursement #13761 (\$1,454.78) did not have the Principal approved *Check Requisition*. Also, the *Check Requisition* for Disbursement #14085 (for \$98.33) was incomplete. Missing information included the payee, the amount of payment, and signature of the sponsor.
- Disbursement #14013 for \$600 was a payment for a photo booth rental with attendant for the February 16, 2017, Administrative Anniversary event. However, the related *School District*

Watson B. Duncan Middle School  
Management Letter  
Year Ended June 30, 2017

*Consultant Agreement* (PBSD 1420) did not have the dates of the principal's and consultant's signatures.

- Disbursement #14187 (for \$7,177.10) was a payment for meals at a golf club at the 8<sup>th</sup> Grade Dance. Purchasing guidelines for Internal Accounts requires three competitive quotes for graduation expenses in excess of \$5,000. However, there was no evidence that three quotes were solicited for this expense.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines:

- Expenditures should be adequately supported by itemized invoices/receipts. The issuance of a school check should be supported by a *Check Requisition* approved by the Principal. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- Refunds to students should be supported by the original payment records.
- To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) the consultant's background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465 (Jessica Lunsford Act)*.
- Expenditures for graduation should be in accordance with Purchasing guidelines for Internal Accounts. At least three competitive quotes should be solicited for graduation expenses in excess of \$5,000.

### **Management's Response**

*Concur. Treasurer will make sure all field trips will have proper receipt/invoice attached along with order forms. Will also include original MCRs with student refunds. Treasurer will also review all check requisitions to ensure completion for each disbursement.*

**Wellington Landings Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1100 Aero Club Drive  
Wellington, FL 33414

Principal:  
Fiscal Year 2017: Blake Bennett  
During Audit: Blake Bennett

Treasurer:  
Fiscal Year 2017: Capella Flaherty  
During Audit: Capella Flaherty

**Cash and Investments**

Checking	\$ 136,958.76
Investments	
	\$ 136,958.76

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 8,911.60	\$ 20,268.20	\$ 19,691.07	\$ 3,257.42	\$ 3,756.62	\$ 8,989.53
Music	25,303.67	55,705.63	56,124.18	27,426.91	27,426.91	24,885.12
Classes	4,913.64	96,359.00	95,870.25	4,540.55	4,540.55	5,402.39
Clubs	4,023.62	21,544.52	20,558.59	1,608.26	1,587.10	5,030.71
Departments	49,907.79	80,165.08	84,647.31	29,476.17	26,239.88	48,661.85
Trusts	44,468.57	176,444.80	171,534.49	33,640.69	41,669.87	41,349.70
General	( 210.17)	29,358.18	31,779.48	13,381.19	8,110.26	2,639.46
	\$ 137,318.72	\$ 479,845.41	\$ 480,205.37	\$ 113,331.19	\$ 113,331.19	\$ 136,958.76

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records at the school found that the Principal had approved the *Fundraiser Application/Recap Form* for the PTO – Coupon Book Fundraiser (Account #6-3300.29). However, the form did not have the estimated and actual sales information. Also, the *Sales Item Inventory Report* was not completed; and the sponsor did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2017.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- The *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing. Failure to prepare the related reports for fundraisers defeat the purpose of controls and could result in undetected loss of school assets.
- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.

### Management's Response

*Concur. Review procedures with sponsors.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

Disbursement #13826 (for \$425) was for payment of DJ services at the 8<sup>th</sup> grade party. However, the engagement of this consultant did not have the required *School District Consultant Agreement (PBSD 1420)*.

Wellington Landings Middle School  
Management Letter  
Year Ended June 30, 2017

**Recommendation**

To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) the consultant's background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement* and ***Florida Statutes §1012.465(Jessica Lunsford Act)***.

***Management's Response***

*Concur. Review procedures with the arts teacher.*

**Western Pines Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 5949 140 Avenue North  
Royal Palm Beach, FL 33411

Principal:  
Fiscal Year 2017: Robert Hatcher  
During Audit: Robert Hatcher

Treasurer:  
Fiscal Year 2017: Tammi LeBlanc  
During Audit: Tammi LeBlanc

**Cash and Investments**

Checking	\$ 174,718.99
Investments	
	\$ 174,718.99

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 6,738.93	\$ 8,453.00	\$ 9,940.78	\$ 14,359.65	\$ 14,256.65	\$ 5,354.15
Music	6,974.73	23,614.00	23,307.74	14,938.71	14,874.06	7,345.64
Classes	2,790.08	10,859.50	11,341.55	838.28	413.50	2,732.81
Clubs	7,956.42	9,012.10	8,564.68	1,852.68	2,277.46	7,979.06
Departments	89,882.26	73,765.47	78,020.39	44,163.41	44,416.96	85,373.79
Trusts	46,495.38	45,110.36	45,848.53	1,840.87	1,589.97	46,008.11
General	12,961.15	42,979.96	35,850.68	6,331.12	6,496.12	19,925.43
	\$ 173,798.95	\$ 213,794.39	\$ 212,874.35	\$ 84,324.72	\$ 84,324.72	\$ 174,718.99

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of sample disbursement and P-Card purchase records found that the *Fundraising Agreement* (Disbursement #13311 for \$6,250) for the Coupon Book Sales was signed by the treasurer, instead of the Principal.

### **Recommendation**

All contracts should be approved by the Principal as required by *School Board Policy 6.14(4)*, which states “*the School Board has delegated limited authority to ... School Principals relating to the purchase of commodities and contractual services ...*” and “*No person, unless specifically authorized to purchase commodities or contractual services under School Board policies, may make any purchase or enter into any contract involving the use of school or School District funds.*”

### **Management’s Response**

*Concur. WPMS will implement District recommendation immediately.*

**Woodlands Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 5200 Lyons Road  
Lake Worth, FL 33467

Principal:  
Fiscal Year 2017: Jeffrey Eassa  
During Audit: Enrique Vela

Treasurer:  
Fiscal Year 2017: Vilma Fedor  
During Audit: Vilma Fedor

Afterschool Site Director:  
Fiscal Year 2017: Gbolade George / Janina Simmonds  
During Audit: Janina Simmonds

**Cash and Investments**

Checking	\$ 105,680.12
Investments	
	\$ 105,680.12

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 8,708.17	\$ 11,367.91	\$ 13,079.73	\$ 10,515.51	\$ 8,002.56	\$ 9,509.30
Music	1,712.36	53,183.53	46,910.43	18,823.86	18,823.86	7,985.46
Classes	1,039.31	26,502.80	26,838.51	30.00	292.69	440.91
Clubs	5,478.79	7,744.86	8,271.00	3,115.11	1,927.39	6,140.37
Departments	42,680.15	91,330.49	90,569.17	15,103.66	17,616.61	40,928.52
Trusts	34,321.67	47,888.54	42,898.73	1,641.49	1,641.49	39,311.48
General	1,311.25	2,528.25	1,550.39	292.69	1,217.72	1,364.08
	\$ 95,251.70	\$ 240,546.38	\$ 230,117.96	\$ 49,522.32	\$ 49,522.32	\$ 105,680.12

## SEGREGATION OF DUTIES

### Finding

During the audit, we noted that incoming mail was sorted and distributed by someone other than the school treasurer; but those mail parcels addressed to the treasurer were given to her for opening and processing.

### Recommendation

To (1) ensure fiscal accountability and (2) prevent and detect potential irregularities, segregation of duties should be enforced at the school. Specifically, incoming mail should be received and opened by different staff members. Payments, if any, received in the mail should be recorded on a *Monies Collected Report* (MCR) by the staff who opens the mail, prior to providing the collections to the bookkeeper for deposit.

### Management's Response

*[Current Principal] Concur. Office personnel other than the school treasurer will open the mail.*  
*[Former Principal] Concur. Completed.*

## DEPOSIT OF MONIES

### Finding

The review of sample Monies Collected Reports (MCRs) and money collection process at the school revealed that:

- Monies collected were not always deposited in a timely manner. For example, \$977.00 collected through five MCRs (# 678-11, #678-10, #717-10, #748-3 and #714-7) were retained by the sponsor for one to two working days before it was deposited into the drop-safe.
- At the year's end, some sponsors did not turn in the yellow copies of MCRs, along with the computerized receipts to the school secretary for record keeping.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

Woodlands Middle School  
Management Letter  
Year Ended June 30, 2017

- As required by DOE Rules and *District Bulletin #P-14051-S/CFO*, monies collected should be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could increase the exposure to sponsors and result in potential irregularities.
- As required by *Internal Accounts Manual*, Chapter 7's Record Retention Requirements, "Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary..."

***Management's Response***

*[Current Principal] Treasurer will provide continuous email reminders to all employees handling monies.*

*[Former Principal] Concur.*

## LEASING OF SCHOOL FACILITIES

### **Finding**

The review of records for leasing of school facilities found that:

- Two Lease Agreements (#1007, and #1008) did not have the witness signatures.
- The school mistakenly used the Commercial rate to allocate the Central Office portion of rentals for a non-profit lease (#1002). As a result, the school under-transmitted \$229.50 in utility fees to the Central Office.

### **Recommendation**

Leasing of school facilities should be administered in accordance with *School Board Policy 7.18* and related District guidelines. Specifically:

- To ensure Lease Agreements are legally enforceable, they should be properly executed with all the required signatures prior to the use of facilities by lessees.
- Leasing revenues should be allocated in accordance with the District's approved *Rate Schedule*. The portions of utility fees, sales tax, and insurance premium should be transmitted to the Central Office accordingly.

Woodlands Middle School  
Management Letter  
Year Ended June 30, 2017

***Management's Response***

*[Current Principal] Concur. Principal reviewed procedures with personnel responsible for lease agreements.*

*[Former Principal] Concur.*

***Additional Comments***

*[Current Principal] Thank you for your feedback*

# **High Schools**

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**Alexander W. Dreyfoos School of Arts  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 501 South Sapodilla Avenue  
West Palm Beach, FL 33401

Principal:  
Fiscal Year 2017: Susan Atherley  
During Audit: Susan Atherley

Treasurer:  
Fiscal Year 2017: Sandra Bullock  
During Audit: Sandra Bullock

**Cash and Investments**

Checking	\$ 703,558.45
Investments	
	\$ 703,558.45

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 9,525.73	\$ 16,882.71	\$ 15,738.53	\$ 1,612.05	\$ 1,612.05	\$ 10,669.91
Music	64,867.78	311,735.87	307,673.39	70,133.80	71,178.41	67,885.65
Classes	37,375.26	149,733.00	134,799.57	49,904.40	50,008.02	52,205.07
Clubs	47,124.04	41,670.61	42,589.97	12,567.98	12,797.98	45,974.68
Departments	219,672.26	447,716.46	389,164.75	144,181.66	145,290.01	277,115.62
Trusts	157,013.67	281,066.14	236,140.65	4,017.89	4,726.50	201,230.55
General	60,211.93	43,630.87	58,561.02	33,420.19	30,225.00	48,476.97
	\$ 595,790.67	\$1,292,435.66	\$1,184,667.88	\$ 315,837.97	\$ 315,837.97	\$ 703,558.45

Alexander W. Dreyfoos School of the Art  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Atlantic High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 2455 West Atlantic Avenue  
Delray Beach, FL 33445

Principal:  
Fiscal Year 2017: Tara Dellegrotti Ocampo  
During Audit: Tara Dellegrotti Ocampo

Treasurer:  
Fiscal Year 2017: Mary Stacey  
During Audit: Mary Stacey

Community School Director:  
Fiscal Year 2017: Mary Powers/Jerry Fogarty  
During Audit: Jerry Fogarty

**Cash and Investments**

Checking	\$ 414,794.53
Investments	
	\$ 414,794.53

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 49,548.86	\$ 179,424.53	\$ 177,770.52	\$ 38,096.93	\$ 41,794.56	\$ 47,505.24
Music	57,371.82	69,857.82	82,550.95	36,986.60	37,130.60	44,534.69
Classes	18,089.10	44,170.00	35,954.99	1,086.50	10,694.90	16,695.71
Clubs	65,955.81	96,370.28	95,658.54	29,034.73	33,903.07	61,799.21
Departments	72,024.30	45,335.99	58,059.81	9,353.12	4,869.21	63,784.39
Trusts	210,779.60	203,939.00	223,275.73	7,880.00	22,994.88	176,327.99
General	12,627.40	13,160.00	50,589.44	32,649.10	3,699.76	4,147.30
	\$ 486,396.89	\$ 652,257.62	\$ 723,859.98	\$ 155,086.98	\$ 155,086.98	\$ 414,794.53

## LEASING OF SCHOOL FACILITIES

### Finding

The review of records for leasing of school facilities found that:

- Lease #1022 was created in the Tririga System and rentals were collected during October 2016 for use of the facilities on December 17, 2016. However, the *Lease Agreement* was neither approved by the principal nor printed for lessee and witness signatures. As a result, its status remained “Revision in Progress” and leasing fees were understated in Tririga by \$650.50.
- Two *Lease Agreements* were not properly signed by the Principal or lessee prior to the use of the facilities. Lease #1029 was not signed by the principal until four days after the first use and the lessee; and the witness did not sign the lease until 12 days after the start. As a result, Lease #1054 was not signed by the lessee and witness until three days after the first use.
- Leasing charges for Lease #1052 were not collected until 33 days after the use of facilities. Moreover, there is no record of fee collections for two leases totaling \$775 (#1038 for \$387.50 and #1044 for \$387.50).
- The Central Office’s portion of the rental income from *Lease Agreements* #1019 and #1043 were not properly allocated. Instead, the income was recorded in the Rental Income Account (#6-3800). As a result, the school under-transmitted \$1,029.88 of the District Share to the Central Office.

### Recommendation

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- To ensure *Lease Agreements* are legally enforceable, they should be properly executed with all the required signatures, prior to the use of facilities by lessees. The school should also maintain a hard copy of the executed *Lease Agreement* for future reference, in addition to recording leasing activities in the Tririga System.
- As required by ***School Board Policy 7.18***, “*fees are to be paid by check or credit card at least forty-eight (48) hours prior to use of a facility.*” The school should recoup the \$775 in rental charges from the testing company.

Atlantic High School  
Management Letter  
Year Ended June 30, 2017

- The Central Office's portion of rental income should be recorded in the respective Internal Funds accounts and transmitted to the Central Office in accordance with the District's *Approved Rate Schedule*.

***Management's Response***

*Concur. Required and additional leasing training and review of procedures will be addressed with Leasing and Facility Coordinator.*

**Boca Raton High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1501 N.W. 15th Court  
Boca Raton, FL 33486

Principal:  
Fiscal Year 2017: Suzanne King  
During Audit: Suzanne King

Treasurer:  
Fiscal Year 2017: Kelly Schroeder  
During Audit: Kelly Schroeder

Community School Director:  
Fiscal Year 2017: Deborah Nash-Utterback  
During Audit: Joseph Cortes

**Cash and Investments**

Checking	\$ 657,261.13
Investments	
	\$ 657,261.13

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 117,524.85	\$ 464,033.53	\$ 453,299.31	\$ 86,595.33	\$ 77,455.00	\$ 137,399.40
Music	17,299.39	222,852.51	218,268.88	48,520.37	49,386.88	21,016.51
Classes	9,567.05	17,105.51	13,300.48	12,441.74	14,034.20	11,779.62
Clubs	86,402.45	457,094.41	437,943.35	110,472.97	117,465.29	98,561.19
Departments	167,251.42	298,646.54	253,803.16	59,808.40	59,473.43	212,429.77
Trusts	181,541.72	432,478.12	459,709.50	21,204.51	36,851.03	138,663.82
General	6,181.66	198,427.09	182,820.44	91,964.20	76,341.69	37,410.82
	\$ 585,768.54	\$2,090,637.71	\$2,019,145.12	\$ 431,007.52	\$ 431,007.52	\$ 657,261.13

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that MCRs were not always completed with all the required information. For example:

- Collections on 16 MCRs, totaling \$13,271, (#s 1983-1, 1983-7, 1983-14, 1983-17, 1983-20, 1983-22, 1983-59, 1983-60, 1983-61, 1983-65, 1983-69, 1983-70, 1983-77, 1983-79, 1984-80, and 2014-24) did not show the students' names for cash collections.
- Four MCRs (#s 1983-1, 1983-4, 2012-23, and 2025-10) did not include the check number for four payment checks, which totaled \$250.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically, monies collected should be supported by MCRs with all the required information, including the account number, remitter's signature, payer's name, dollar amount, and check number when appropriate.

### Management's Response

*Concur. All sponsors from the MCRs listed above were met with and instructed to fill out the MCRs correctly and completely. They have all completed the online training.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that:

- Repeated noncompliances with fundraising procedures was noted for the same sponsor of the Prom Admission Ticket Sales (Account 7-0100.03). The sponsor did not correctly complete the *Ticket Sellers Report* for the 2017 event. Missing information for the *Report* included: first and last ticket number used and total cash collections. This noncompliance occurred in Fiscal Years 2014, 2015, and 2016. Due to the

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repeated noncompliances, this finding is referred to the Office of Professional Standards for appropriate action.

- Total sales recorded on *Sales Item Inventory Report* for the Athletic Apparel Sales (Account #1-0010.01) did not agree with the collections on the General Ledger, with a total discrepancy of \$394 in the General Ledger exceeding the *Report*. Additionally, purchase of inventory during FY 2017 were not reflected on the form.
- A *Sales Item Inventory Report* was not maintained for Yearbook Sales (5-0450.00).

### **Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. Specifically,

- Staff's failure to maintain the required fundraising documentation violates ***School Board Policy 2.34***, which states "All Board employees shall faithfully and accurately keep such records as may be required by law, State Board regulations, School Board policy or their supervisor. Such records shall include pupil attendance, property inventory, funds and other types of information. Reports of such records shall be submitted on forms prescribed for such purposes and at designated intervals or dates."
- ***School Board Policy 2.62, Section 5.c.iii***, states, "The failure of a division/department head or school principal to correct audit findings and implement corrective actions shall be addressed and assessed as part of the division/department head's or school principal's annual performance evaluation." The school should ensure audit findings are being resolved and will not be repeated in future audit.
- To ensure proper fiscal accountability, *Ticket Sellers Report* and *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue.

### ***Management's Response***

*Concur. The Prom sponsor was changed to a new sponsor this year. The teacher associated with the athletics apparel sales is no longer an employee at Boca High. I met with the yearbook sponsor and instructed her to complete the Sales Item Inventory Report.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of records for sample disbursements and P-Card purchases found that:

- Disbursement #63384 (for \$3,585) for Swim Banquet food service was supported by a contract. However, the contract was unsigned. Moreover, the disbursement did not have the required approved *Purchase Order*.
- Disbursement #64470 (for \$14,020) for prom decorations was supported by a *Purchase Order* and contract. However, the contract was signed by the event sponsor instead of the Principal.

### Recommendation

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- A *Purchase Order* approved by the Principal should be issued for each purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase.
- All contracts should be approved by the Principal as required by *School Board Policy 6.14(4)*, which states “*the School Board has delegated limited authority to ... School Principals relating to the purchase of commodities and contractual services ...*”

### Management’s Response

*Concur. The swim coach was instructed in the proper way to complete the necessary forms and which forms must be completed. Prom sponsor was instructed to complete the PO and to have all contracts signed by me instead of her signing them.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that the school did not maintain the *Prenumbered Document Inventory Register (PBSD 0160)* for *Drop-safe Logs* or *Prenumbered Tickets* used for athletic events.

**Recommendation**

To ensure proper fiscal controls and accountability, and as required by *Chapter 27 of the Internal Accounts Manual*, the custodian should account for each prenumbered document, including *Drop-safe Logs* and *Prenumbered Event Tickets*, through the use of the *Prenumbered Document Inventory Register* (PBSD 0160) to confirm the periodic inventory check of the forms

***Management's Response***

*Concur. The document custodian was instructed to utilize the PBSD 0160 form to confirm the periodic inventory check of forms.*

**Boynton Beach Community High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 4975 Park Ridge Boulevard  
Boynton Beach, FL 33426

Principal:  
Fiscal Year 2017: Fred Barch  
During Audit: Guarn Sims

Treasurer:  
Fiscal Year 2017: Beth Bauer  
During Audit: Beth Bauer

Community School Director:  
Fiscal Year 2017: Karensa Wright  
During Audit: Karensa Wright

**Cash and Investments**

Checking	\$ 129,428.20
Investments	
	\$ 129,428.20

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 10,013.77	\$ 137,631.69	\$ 132,638.40	\$ 41,724.81	\$ 45,419.35	\$ 11,312.52
Music	7,710.07	59,595.05	67,558.27	39,639.65	37,085.59	2,300.91
Classes	5,491.45	53,503.00	50,106.02	63,190.87	68,732.57	3,346.73
Clubs	11,798.96	35,623.53	38,437.48	20,061.92	16,036.23	13,010.70
Departments	48,085.83	219,373.53	226,291.56	109,819.02	104,394.32	46,592.50
Trusts	61,661.19	200,247.74	205,982.79	8,154.80	11,554.27	52,526.67
General	( 343.00)	1,973.36	1,923.45	2,313.16	1,681.90	338.17
	\$ 144,418.27	\$ 707,947.90	\$ 722,937.97	\$ 284,904.23	\$ 284,904.23	\$ 129,428.20

## DEPOSIT OF MONIES

### Finding

The review of sample Monies Collected Report (MCR's) and money collection process at the school found that:

- Monies collected were not always deposited in timely manner. For example, \$659.35 collected through two MCRs (#1140-3 and #1140-11) were retained by the sponsors for eight working days before putting the money into the drop-safe.
- MCRs were not always completed with all the required information. For example, MCR#1198-12 (for \$113) and MCR #1198-23 for \$70) did not list the check numbers of the payments. Deposit #1198 totaling \$11,243.56, also included a check for \$25 for "theatre." However, the check was not listed on any MCR in this deposit.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- *DOE Rules* and *District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted liability and result in potential irregularities.
- Monies collected should be supported by MCRs with all the required information, including the account number, remitter's signature, payer's name, dollar amount, and check number when appropriate.

### Management's Response

[Current Principal] Concur.

## ADULT EDUCATION AND COMMUNITY SCHOOL PROGRAMS

### Finding

District procedures require that Adult Education tuition and GED special testing fees be transmitted monthly to the Central Office within five working days after the close of

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accounting period. The Adult Education tuition fees were not timely transmitting the Central Office with a delay ranging from one to 25 days.

**Recommendation**

The Adult Education and Community School program fees should be timely transmitted to the Central Office in accordance with the District's procedures.

***Management's Response***

*[Current Principal] Concur.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found the following:

- The school did not maintain *Document Custodian Assignment Register* (PBSD 1663)
- The *Prenumbered Documents Inventory Register* (PBSD 0163) for the *Drop-safe Log* was incomplete.

**Recommendation**

To ensure proper fiscal controls and accountability, and as required by *Chapter 27 of the Internal Accounts Manual*,

- A designated document custodian should be assigned for each prenumbered form; and the staff assignment should be recorded on the *Document Custodian Assignment Register* (PBSD 1663) accordingly.
- To ensure all prenumbered documents are properly accounted for, the document custodian for each prenumbered document, including Drop-safe Logs and School Checks, should use the *Prenumbered Document Inventory Register* (PBSD 0160) to confirm the periodic inventory check of the prenumbered forms.

***Management's Response***

*[Current Principal] Concur.*

**Forest Hill High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 6901 Parker Avenue  
West Palm Beach, FL 33405

Principal:  
Fiscal Year 2017: Mary Stratos  
During Audit: Mary Stratos

Treasurer:  
Fiscal Year 2017: Connie Rider  
During Audit: Connie Rider

Community School Director:  
Fiscal Year 2017: Todd Bolar  
During Audit: Todd Bolar

**Cash and Investments**

Checking	\$ 144,542.95
Investments	
	\$ 144,542.95

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 3,223.47	\$ 109,534.54	\$ 112,976.45	\$ 44,742.73	\$ 37,041.18	\$ 7,483.11
Music	6,457.72	40,887.79	38,275.65	11,480.23	10,875.97	9,674.12
Classes	7,925.43	120,707.55	91,132.75	27,838.06	41,552.14	23,786.15
Clubs	24,054.69	97,002.28	93,765.50	19,527.65	20,305.63	26,513.49
Departments	31,007.51	85,838.74	96,517.70	21,885.53	10,724.52	31,489.56
Trusts	68,527.64	277,133.02	296,332.80	27,704.24	33,072.22	43,959.88
General	( 2,469.50)	8,220.26	4,507.34	2,953.82	2,560.60	1,636.64
	\$ 138,726.96	\$ 739,324.18	\$ 733,508.19	\$ 156,132.26	\$ 156,132.26	\$ 144,542.95

## SEGREGATION OF DUTIES

### Finding

During the audit, we noted that the school treasurer was performing incompatible duties.

- In addition to maintaining the Internal Funds records, the treasurer also,
  - Prepared *Monies Collected Reports* (MCRs) (#1010-2, #1122-1) for activity sponsors to sign as remitters.
  - Completed *Section 1* of the *Drop-safe Log* and signed the remitters' names on the *Log*.
  - Completed *Section 3* of the *Drop-safe Log* with the receipt numbers when funds are recorded into the accounting system.
  - Prepared the *Purchase Orders* for the activity sponsors to sign two disbursements (#48141 for \$8,614 and #48283 for \$2,500).
  - Prepared the *Check Requisition* for check #48200 (for \$2,032.19) for the sponsor to sign.
- We noted that incoming mails were sorted and opened by someone other than the school treasurer. However, the person who opened the mail stated she did not prepare MCRs for checks received in the mail. Instead, the checks were put in the treasurer's mail box for processing.
- The secretary was the assigned Document Custodian for the *Drop-safe Log* and *School Checks*. However, the monthly inventory was performed by the school treasurer who also completed the *Prenumbered Document Inventory Register (PBSD 0160)* for the secretary to sign as the preparer.

### Recommendation

To ensure fiscal accountability and prevent potential irregularities, segregation of duties should be enforced at the school. Specifically,

- Preparation of *Drop-safe Log*, *Purchase Orders*, and *Check Requisitions* should be completed and signed by the activity sponsors.

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- Incoming mails should be received and opened by different staff members. Payments, if any, received in the mails should be recorded on a *Monies Collected Report* (MCR) by the staff who opens the mail, prior to placing the collection into the drop-safe.
- The Document Custodian for the *Drop-safe Log* should (1) maintain the blank *Drop-safe Log*, and (2) use the *Prenumbered Document Inventory Register* (PBSD 0160) to confirm and account for the inventory of the *Log*.

***Management's Response***

*Concur. Recommendation from Auditor will be adhered to. Meeting was held with all concerned and direction to follow district procedures and policies will be enforced and complied with.*

**DEPOSIT OF MONIES**

**Finding**

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- *Section 1* of the *Drop-safe Log* was not always completed with all the required information. For example, ten entries on four pages (#s 14-42257, 14-42269, 14-42280, and #14-42263) did not include the dates of collection.
- Monies collected were not always deposited into the drop-safe in a timely manner. For example, \$15,409 collected through 17 MCR (#s 1089-1, 1089-3, 1089-6, 1089-7, 1089-8, 1089-9, 1089-16, 1089-26, 1122-2, 1122-4, 1122-5, 1122-6, 1122-9, 1122-10, 1122-11, 1122-12, 1122-13) was retained by the sponsors for one to 17 working days before the money was put into the drop-safe for deposit.
- Sixteen collections recorded on eight pages of the *Drop-safe Logs* (page #s 14-42316, 14-42394, 14-42308, 14-42309, 14-42272, 14-42278, 14-42290, and 14-42306) were marked returned to the sponsors for completion, correction or clarification. However, the returns of money to the sponsors were not signed by the sponsors to acknowledge the receipt of the collections.
- At the year-end, some sponsors did not attach the computerized *Official Receipts* to the yellow copies of the MCRs, when submitting these documents to the school secretary for filing.

### **Recommendation**

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO*, (1) the treasurer and an independent staff should jointly verify the contents of the safe against *Section 2* of the *Log* to confirm that the deposits from the safe were removed by the treasurer for processing, and (2) the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system. In addition, written records should be maintained and acknowledged by the sponsors when collections are returned to them for clarification.
- *DOE Rules* and *Internal Accounts Manual* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could result in unintended irregularities.
- Monies returned to the sponsor for clarification should be noted and acknowledged (signed/initialed) by the sponsor on the *Log*.
- As required by *Bulletin #P-14051-S/CFO* and *Internal Accounts Manual, Chapter 7's Record Retention Requirements*, "Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary..."

### **Management's Response**

*Concur. Recommendation from Auditor will be adhered to. Faculty and staff were advised to review DOE rules Chapter 8. Treasurer and verifier were directed to follow proper procedures and protocol as per district standards to begin immediately.*

## **DOCUMENTATION FOR FUNDRAISERS**

### **Finding**

The review of sample fundraiser records revealed that:

- The sponsor of the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017: (1) Athletics Coupon Books Sale

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(Account #1-0010.08), (2) Athletics T-Shirts Sale (Account #1-0010.02), and (3) Football Booster Concession (Account #6-0450.01).

- The *Sales Item Inventory Reports* were not approved by the Principal for the (1) Athletics Coupon Books Sale (Account #1-0010.08), the (2) Athletics T-Shirts Sale (Account #1-0010.02), and (3) the JROTC Candy Sales (Account #4-4250.06).
- Tickets were sold for the JROTC Military Ball (Account #4-4250.05). This event had a total ticket sales revenue of \$8,985. Eventually, the activity had a deficit of \$1,342.68; the sponsor indicated that the deficit was due to some students being admitted free of charge. However, the sponsor for this fundraiser did not prepare the required *Ticket Sellers Report* and there was no documentation to indicate how many students were granted free admission. Without *Ticket Sellers Report* we were unable to verify revenues.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- The *Sales Item Inventory Report* should be completed with accurate information for each fundraiser. This will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to account for any items that were given-away free-of-charge, or missing.
- *Internal Accounts Manual, Chapter 26*, requires that “Prenumbered tickets must be used to account for admissions to campus events if the anticipated revenues at the event are expected to exceed \$500 at the elementary level or \$1,000 at the secondary level.” Moreover, *Ticket Sellers Report* should be prepared in order for staff to reconcile revenues with the number of tickets sold.

### **Management’s Response**

*Concur. Recommendation from Auditor will be adhered to. Responsible sponsors and Treasurer will follow all district policies and procedures as per Internal Accounts Manual.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchase records found that:

- Disbursement #48928 (for \$1,062.51) did not have the required *Purchase Order*. A *Purchase Order* is required for all purchases exceeding \$1,000.
- The *Purchase Orders* for two Disbursements (#48141 for \$8,614; and #48283 for \$2,500) were not approved by the Principal until 36 and 45 days after the invoice dates, respectively.
- Disbursement #49017 (for \$300) was for DJ Services at the March 17, 2017 JROTC Military Ball. However, the disbursement was supported by a contract signed by the sponsor instead of the principal. Moreover, documentation for this disbursement did not include an invoice detailing the services.
- Disbursement #48630 (for \$586) was supported by a handwritten Order Form and Disbursement #48928 (for \$1,062.51) was supported by an Order Confirmation instead of a receipts or invoices. Both disbursements did not have adequate supporting documentation for the expenses.
- One P-Card purchase on April 28, 2017, (for \$406.20) was for rental of chairs without obtaining prior approval from the Purchasing Department.

### Recommendation

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual, Chapter 24)*, and the related District guidelines. Specifically,

- A *Purchase Order* approved by the Principal should be issued for each purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase.
- All contracts should be approved by the Principal as required by *School Board Policy 6.14(4)*, which states “*the School Board has delegated limited authority to ... School Principals relating to the purchase of commodities and contractual services ...*” and “*No person, unless specifically authorized to purchase commodities or contractual services under School Board policies, may make any purchase or enter into any contract involving the use of school or School District funds.*”

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Year Ended June 30, 2017

- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- Pursuant to District guidelines, the use of a P-Card for rentals requires prior approval from the Purchasing Department.

***Management's Response***

*Concur. Recommendations from the Auditor will be adhered to. School treasurer and bookkeeper will follow all district policies and procedures regarding expenditures, purchasing, internal accounts as outlined in all related financial manuals to include Internal Accounts Manual and Purchasing Manual and guidelines.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of leasing records at the school found that:

- The school's recorded leasing income was overstated in the Tririga System by a net amount of \$2,631.69 because:
  - Lease #1038 had a status of "Revision in Progress"; as a result, the payment of \$520.70 for this *Lease Agreement* was not recorded in the Tririga System.
  - Four Leases (#s 1014, 1017, 1042, and 1052) had waivers totaling \$3,002.50 due to interlocal agreements. However, the waivers were not recorded in Tririga.
  - Three leases (#s 1016, 1019, and 1051) had a total increase of \$322.11 resulting from each lessee exceeding their contracted time. However, the increase was not included in the Tririga.
  - Lease #1054 was incorrectly charged for an additional \$472 for insurance. A handwritten adjustment was made on the hard copy of the *Lease Agreement*. However, the Tririga System was not updated to reflect the new lease cost.
- As of February 1, 2018, the school had not received payment of \$192.60 owed for Lease #1046.

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Management Letter  
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- Leasing charges for six leases (#s 1033, 1026, 1029, 1019, 1053, and 1056) were not collected prior to the use of facilities, with delays ranging from three to 58 days.
- Lease #1048 (for \$1,570.70) was marked “paid” in Tririga system. However, there was no evidence that the payment was received or recorded in the school’s Accounting System.
- The school did not have copies of the executed *Lease Agreements* for #1012, and #1048.
- Three *Lease Agreements* (#1029, #1053, and #1056) were not executed with all the required signatures prior to the use of facilities. Delays ranged from three to 44 days.

**Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- Leasing information should be accurately recorded in the Tririga System; and the related record should be updated for contract amendments, fee waivers, and cancellations.
- As required by ***School Board Policy 7.18***, “*fees are to be paid by check or credit card at least forty-eight (48) hours prior to use of a facility.*”
- To ensure *Lease Agreements* are legally enforceable, they should be properly executed with all the required signatures. The school should also maintain a hard copy of the executed *Lease Agreement* for future reference, in addition to recording leasing activities in the Tririga System.

***Management’s Response***

*Concur. Recommendation of the Auditor will be adhered to immediately as per school board policy, directives, practices and procedures. Leases will be recorded in Tririga and retained by hard copy with all required signatures and agreements.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that:

- The school did not assign a *Document Custodian for Adult Community Education Receipts*.

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Management Letter  
Year Ended June 30, 2017

- The school did not maintain *Prenumbered Document Inventory Registers (PBSD 0160)* for *Classroom Receipts, Adult Education Receipts, and Pre-numbered Tickets.*

**Recommendation**

To ensure proper fiscal accountability as required by *Chapter 27 of the Internal Accounts Manual,*

- A designated document custodian should be assigned for each prenumbered form; and the assignment should be recorded on the *Document Custodian Assignment Register (PBSD 1663)* accordingly.
- To ensure all prenumbered documents are properly accounted for, the document custodian should complete the monthly inventory of the Classroom Receipts, Adult Community Education Receipts and Pre-numbered through the *Prenumbered Document Inventory Register (PBSD 0160).*

**Management's Response**

*Concur. Recommendation of Auditor will be adhered to immediately. Treasurer and document custodian will follow all district prescribed practices, procedures and policies.*

**Additional Comments**

*Principal will adhere to all recommendations from the Auditor regarding internal accounts and district funding. As well as ensure that all district policies, practices, and procedures are enforced by those responsible for such activity. Meetings have been held and review of practices regarding recommendations and specific findings to provide clarity moving forward.*

**Glades Central High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1001 SW Avenue "M"  
Belle Glade, FL 33430

Principal:  
Fiscal Year 2017: Angela Avery-Moore  
During Audit: Angela Avery-Moore

Treasurer:  
Fiscal Year 2017: Karen Orsenigo  
During Audit: Karen Orsenigo

Community School Director:  
Fiscal Year 2017: Mitsie Johnson  
During Audit: Mitsie Johnson

**Cash and Investments**

Checking	\$ 191,688.02
Investments	
	\$ 191,688.02

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 14,176.44	\$ 88,171.34	\$ 92,450.94	\$ 48,905.20	\$ 47,350.37	\$ 11,451.67
Music	126.97	21,177.41	24,701.21	6,346.25	5,931.25	( 2,981.83)
Classes	2,655.40	73,056.42	71,097.93	11,892.60	11,851.36	4,655.13
Clubs	10,464.86	55,991.74	58,368.02	12,130.55	8,681.00	11,538.13
Departments	10,301.17	15,677.91	13,753.56	6,689.54	5,131.38	13,783.68
Trusts	109,241.92	183,686.47	100,437.44	5,416.88	41,655.59	156,252.24
General	( 837.50)	17,374.88	48,768.31	44,990.66	15,770.73	( 3,011.00)
	\$ 146,129.26	\$ 455,136.17	\$ 409,577.41	\$ 136,371.68	\$ 136,371.68	\$ 191,688.02

## DEFICIT ACCOUNT

### **Finding**

The review of accounting records revealed that the Band program (Account 2-1000.00) had a year-end deficit of \$3,523.80. The program generated a total revenues of \$12,740.15 from fundraising, donations, and dues. Expenditures for the Band program totaled \$16,263.95, which included uniform pieces, instrument parts, travel, competition entry fees, and association membership fees. As of February 16, 2018, the Band Program had a deficit balance of \$5,360.86.

### **Recommendation**

To ensure fiscal accountability, staff should monitor revenues and expenditures of the Band program closely. Fundraisers and related program fee amounts should be adjusted accordingly.

### ***Management's Response***

*Concur.*

## DEPOSIT OF MONIES

### **Finding**

The review of money collection process and sample of *Monies Collected Reports* (MCRs) at the school found that, MCRs were not always completed with all the required information. For example, two MCRs #924-8 (for \$736) and #1009-4 (for \$200) did not identify the check numbers.

### **Recommendation**

Monies collected should be supported by MCRs with all the required information, including the account number, remitter's signature, payer's name, dollar amount, and check number when appropriate.

### ***Management's Response***

*Concur.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsor for the band fundraising activities did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2017.
- The Class of 2017 T-shirt Account (#3-2017.01) did not have the required *Sales Item Inventory Report*. A total of \$1,505 in sales revenues was deposited into the Internal Funds during October 11, 2016, through May 11, 2017. Based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of \$2,145. As a result, \$640 (30%) in estimated revenue was unaccounted for.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure staff is familiar with and complying with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.
- To ensure proper fiscal accountability, the *Sales Item Inventory Report* should be accurately completed with all needed information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.

### Management's Response

*Concur.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

Disbursement #14305 (for \$300) was for payment to a massage therapist for Teachers' Appreciation Day during 11:00 AM until 1:30 PM. However, the engagement of this consultant did not have a *School District Consultant Agreement (PBSD 1420)*.

Glades Central High School  
Management Letter  
Year Ended June 30, 2017

Pursuant to ***Florida Statutes §1012.465(Jessica Lunsford Act)*** and *Section 8 of the School District Consultant Agreement*, “*The Jessica Lunsford Act: All individuals who are permitted access on school grounds when students are present ... must be fingerprinted and background checked.*” Moreover, the services involved physical contact between the consultant and staff.

**Recommendation**

To protect the safety of students and staff, prior to the consultant performing services at school, the *School District Consultant Agreement* should be properly executed with all the required dated signatures.

***Management’s Response***

*Concur.*

**John I. Leonard High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 4701 10th Avenue North  
Greenacres, FL 33463

Principal:  
Fiscal Year 2017: Edward Tierney  
During Audit: Melissa Patterson

Treasurer:  
Fiscal Year 2017: Maria Luna  
During Audit: Maria Luna

Community School Director:  
Fiscal Year 2017: Theomane Dorleans  
During Audit: Theomane Dorleans

**Cash and Investments**

Checking	\$ 204,412.67
Investments	
	\$ 204,412.67

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 9,421.38	\$ 160,561.40	\$ 151,402.39	\$ 38,452.41	\$ 48,266.14	\$ 8,766.66
Music	6,582.21	147,780.13	150,795.02	36,669.49	35,840.41	4,396.40
Classes	18,495.95	56,640.30	50,705.44	9,214.93	9,094.93	24,550.81
Clubs	24,877.10	109,263.68	107,728.48	37,225.51	40,258.01	23,379.80
Departments	76,091.77	116,542.33	110,565.62	57,488.39	63,697.39	75,859.48
Trusts	71,744.16	212,323.18	233,214.56	21,382.55	2,762.40	69,472.93
General	( 2,534.48)	11,756.96	10,721.89	7,021.42	7,535.42	( 2,013.41)
	\$ 204,678.09	\$ 814,867.98	\$ 815,133.40	\$ 207,454.70	\$ 207,454.70	\$ 204,412.67

## DEPOSIT OF MONIES

### Finding

The review of money collection process and sample *Monies Collected Reports* (MCRs) at the school found that:

- Page #14-37570 of the *Drop-safe Log* was missing. The missing page contained information for monies collected during the period from October 29 and 30, 2016.
- *Section 3* on seven pages of the *Drop-safe Log* (#s 14-37597, 14-37598, 14-37641, 14-37680, 14-37727, 14-37729 and 14-37736) was not signed by the staff verifier to confirm the treasurer's entering the deposit information into the Internal Funds Accounting System.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO*, "Completed Drop Safes Logs must be filed sequentially in numerical order in a binder and retained for five years."
- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

[Current Principal] Concur. Principal will meet with the treasurer and independent staff verifier to review the proper guardianship procedures of the *Drop-safe Log* pages/binder. Additionally, the principal will meet with the treasurer and independent staff verifier to review the proper procedures related to proper completion and signature verification of the *Drop-safe Log* Sections 1-3.

**Jupiter High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 500 North Military Trail  
Jupiter, FL 33458

Principal:  
Fiscal Year 2017: Coleen Iannitti  
During Audit: Coleen Iannitti

Treasurer:  
Fiscal Year 2017: Peggy Groh  
During Audit: Peggy Groh

Community School Director:  
Fiscal Year 2017: Suzanne Smith  
During Audit: Suzanne Smith

**Cash and Investments**

Checking	\$ 854,814.87
Investments	
	\$ 854,814.87

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 149,794.67	\$ 305,105.01	\$ 365,657.11	\$ 189,358.46	\$ 132,578.23	\$ 146,022.80
Music	1,396.41	47,268.45	38,761.32	8,236.42	8,511.35	9,628.61
Classes	43,251.69	153,973.16	121,934.75	49,638.59	66,078.32	58,850.37
Clubs	64,108.04	398,026.25	366,708.45	103,592.74	103,270.22	95,748.36
Departments	171,344.73	348,237.01	309,047.56	94,650.49	92,070.94	213,113.73
Trusts	217,075.28	949,566.23	822,694.35	215,996.69	266,243.21	293,700.64
General	16,297.00	65,259.57	51,085.09	66,818.44	59,539.56	37,750.36
	\$ 663,267.82	\$2,267,435.68	\$2,075,888.63	\$ 728,291.83	\$ 728,291.83	\$ 854,814.87

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of documentation for sample fundraisers found that:

- The sponsors of the following two fundraisers did not complete the required eLearning Fundraiser Training Course prior to conducting the fundraiser activities:

<b>Fundraiser Activity</b>	<b>Account Number</b>	<b>Activity Began</b>	<b>Training Completed</b>
Band Christmas Trees	#6-0650.09	10/1/2016	Did not complete
Interact Chocolate Bars	#4-2651.02	11/14/2016	Did not complete

- The Parking Decal Sales (Account #7-0100.01) did not have the required *Sales Item Inventory Report*. A total of \$41,163 in sales revenues was deposited into the Internal Funds during the period May 12, 2016, through March 20, 2017. Based on the school’s purchasing records, this fundraiser should have generated a total estimated revenue of \$60,720. As a result, \$19,557 (32%) in estimated revenue was unaccounted for.

According to staff, the fundraiser was assigned to a parent, no District staff was involved in this responsibility. Parents started the fundraiser at the end of School Year 2016 and overlapped into the School Year 2017. Once the immediate rush of sales had concluded, the remaining passes were left in the Student Services Office for sale throughout the remainder of the school year. Passes were sold at a reduced price to Juniors in the last few weeks of school. Staff stated that there was inventory of unsold passes remaining at year-end. However, the quantity was not recorded and the remaining unsold passes were shredded. In School Year 2018, parents continue to operate the selling of passes but an Assistant Principal has been assigned the responsibility over the fundraiser.

<b>Item</b>	<b>Quantity</b>					<b>Selling Price</b>	<b>Revenues</b>
	<b>Beginning Inventory</b>	<b>Purchases<sup>(1)</sup></b>	<b>Items Given Away</b>	<b>Inventory On Hand</b>	<b>Units Sold</b>		
Parking Decals	-	759	-	-	759	\$80	\$60,720
Parking Decals - Staff	-	251	-	-	251	\$0	-0-
Total Estimated Revenues							\$60,720
Total \$ Deposited into Internal Funds							\$41,163
<b>Estimated Revenues Unaccounted For</b>							<b><u>\$19,557</u></b>

(1) Based on purchasing and deposit records during May 12, 2016, through March 20, 2017.

- As indicated by the sponsor on the *Sales Item Inventory Report* for the Band Christmas Tree Sales (Account #6-0650.09), 52 items with a total resale value of \$3,535 were given-away or damaged. However, there was no additional explanation.
- The *Sales Item Inventory Report* for the Interact Chocolate Bars Sales (Account #4-2651.02) indicated that 7.3 cases with a total resale value of \$440 were given away or missing. However, no explanation was included with the fundraiser documentation. In addition, the Principal did not approve the *Sales Items Inventory Report* for the Band Christmas Tree Sales.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure staff understand and comply with the fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.
- To protect the school's best interest and ensure proper fiscal accountability, the *Sales Item Inventory Report* should be accurately completed with all needed information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the ending inventory, if any.

### **Management's Response**

*Concur. We will make sure teachers complete training prior to starting any fundraisers.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The review of records in the Tririga System for leasing of school facilities noted that *Lease Agreement # 1056* for use during June 12 through July 19, 2017, did not have proof of liability insurance coverage. The *Certificate of Insurance* on file with the school was expired on June 8, 2017.

### **Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically, to protect the School District from unwarranted liability the lessee must “*provide a copy of liability insurance policy in the amount of \$1,000,000, naming the School Board of Palm Beach County as an additional insured, with the Lease Agreement or purchase liability insurance from the School District.*” This will ensure the School Board is well protected.

### ***Management’s Response***

*Concur. We will make sure all leases have appropriate insurance.*

## **ADULT EDUCATION AND COMMUNITY SCHOOL PROGRAMS**

### **Finding**

The review of the Adult Education and Community School Programs found that:

- District procedures require that Adult Education tuition and GED special testing fees be transmitted monthly to the Central Office within five working days after the close of accounting period. The review of community school’s accounting records found that the school did not timely transmit the fees to the Central Office, with delays ranging from 9 to 42 days.
- District procedures require that community school fees be transmitted to the Central Office within 42 days after the classes begin. The review of community school’s accounting records found that the school did not transmit the fees timely to the Central Office, with 9 day delays.

### **Recommendation**

Adult Education and Community School Programs should be administered in accordance with the District’s guidelines. Specifically,

- In order to provide timely and available funding for Adult Education personnel and other related expenses, all tuition and GED Special Testing fees should be transmitted to the Central Office within five business days after the close of the accounting period.

Jupiter High School  
Management Letter  
Year Ended June 30, 2017

- In accordance with District's guidelines, all Community School tuition fees should be transmitted to the Central Office within six weeks (42 days) in order to provide timely funding for Community School personnel and other related expenses.

***Management's Response***

*Concur. We will transmit fees as directed.*

**Lake Worth High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1701 Lake Worth Avenue  
Lake Worth, FL 33460

Principal:  
Fiscal Year 2017: George Lockhart  
During Audit: Elvis Epps

Treasurer:  
Fiscal Year 2017: Mona Francois  
During Audit: Mona Francois

Community School Director:  
Fiscal Year 2017: Vincent Taormina  
During Audit: Vincent Taormina

**Cash and Investments**

Checking	\$ 405,121.76
Investments	
	\$ 405,121.76

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 33,332.02	\$ 138,942.77	\$ 137,667.17	\$ 30,774.45	\$ 30,379.60	\$ 35,002.47
Music	2,684.40	15,795.80	13,340.32	5,109.40	5,101.40	5,147.88
Classes	23,593.37	58,539.29	65,964.18	11,569.50	14,555.00	13,182.98
Clubs	20,876.23	31,287.58	38,837.29	16,973.29	16,094.45	14,205.36
Departments	85,020.26	142,629.81	76,439.80	23,991.74	24,377.62	150,824.39
Trusts	198,065.46	521,077.79	541,296.10	90,864.98	91,620.65	177,091.48
General	6,289.00	10,913.79	10,380.95	12,400.39	9,555.03	9,667.20
	\$ 369,860.74	\$ 919,186.83	\$ 883,925.81	\$ 191,683.75	\$ 191,683.75	\$ 405,121.76

Lake Worth High School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Olympic Heights High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 20101 Lyons Road  
Boca Raton, FL 33434

Principal:  
Fiscal Year 2017: Dave Clark  
During Audit: Dave Clark

Treasurer:  
Fiscal Year 2017: Concetta DelSorbo  
During Audit: April Britt

Community School Director:  
Fiscal Year 2017: Stacey Belton  
During Audit: Stacey Belton

**Cash and Investments**

Checking	\$ 411,719.50
Investments	
	\$ 411,719.50

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 60,241.61	\$ 212,744.07	\$ 202,621.20	\$ 77,508.18	\$ 81,177.68	\$ 66,694.98
Music	6,624.44	29,360.71	33,809.24	16,538.86	11,576.86	7,137.91
Classes	24,406.18	68,917.41	65,504.84	21,100.27	21,000.27	27,918.75
Clubs	53,374.21	124,972.96	113,748.01	31,694.78	40,415.44	55,878.50
Departments	101,339.91	150,281.14	168,575.37	46,754.00	46,373.67	83,426.01
Trusts	166,157.82	553,165.91	552,657.40	130,676.97	123,604.14	173,739.16
General	9,793.00	1,967.43	14,711.24	9,152.79	9,277.79	( 3,075.81)
	\$ 421,937.17	\$1,141,409.63	\$1,151,627.30	\$ 333,425.85	\$ 333,425.85	\$ 411,719.50

**DEPOSIT OF MONIES**

**Finding**

The review of the money collection process at the school revealed that some sponsors did not attach the Official Receipts to the yellow copies of the MCRs when submitting these documents at the end of the school year to the school secretary for record retention.

**Recommendation**

As required by the *Sponsor’s Checklist of Responsibilities* in the *Internal Accounts Manual, Chapter 7*, Teacher/sponsors should “compare the yellow copy of the MCR against the official receipt to confirm that funds were properly credited to the school’s accounting records.”

**Management’s Response**

*Concur. Additional training will take place to insure compliance by the sponsors/teachers.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The Chorus Coupon Book Sales (Account #2-1500.08) had a total sales revenue of \$1,250, which was deposited into the Internal Funds during February 17 through June 1, 2017. However, based on the school’s purchasing records and the *Sales Item Inventory Report*, this fundraiser should have generated a total estimated revenue of \$1,650. As a result, \$400 in estimated revenue was unaccounted for.

Item	Quantity					Selling Price	Revenues
	Beginning Inventory <sup>(1)</sup>	Purchases <sup>(2)</sup>	Items Given Away <sup>(1)</sup>	Inventory On Hand <sup>(1)</sup>	Units Sold		
Coupon Books	0	66	0	0	66	\$25	\$1,650
Total Estimated Revenues							\$1,650
Total \$ Deposited into Internal Funds							\$1,250
<i>Estimated Revenues Unaccounted For</i>							<u><u>\$400</u></u>

(1) Based on *FY17 Sales Item Inventory Report*.

(2) Based on purchasing records during July 1, 2016, through June 30, 2017.

**Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically, *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the actual sales revenue with the estimated revenue.

***Management's Response***

*Concur. Corrective action has taken place with this specific sponsor.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

The review of records for sample disbursements and P-Card purchases found that:

- Three disbursements (#39188 for \$8,651.41; #39254 for \$2,510; and #39286 for \$1,022.50) did not have the required *Purchase Orders*. A *Purchase Order* is required for all purchases exceeding \$1,000.
- The *Purchase Order* for Disbursement #38416 (for \$2,547.50) was not approved by the Principal until seven days after the invoice date.

**Recommendation**

As required by the *Purchasing Manual*, a *Purchase Order* approved by the Principal should be issued for each purchase in excess of \$1,000.

***Management's Response***

*Concur. Purchase orders moving forward will be approved in a timely fashion.*

**Pahokee Middle / Senior High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 900 Larrimore Road  
Pahokee, FL 33476

Principal:  
Fiscal Year 2017: Michael Aronson (High) / Dwayne Dennard (Middle)  
During Audit: Michael Aronson (High) / Dwayne Dennard (Middle)

Treasurer:  
Fiscal Year 2017: Brandi Ingram  
During Audit: Brandi Ingram

**Cash and Investments**

Checking	\$ 70,968.23
Investments	
	\$ 70,968.23

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$ 165,231.03	\$ 146,188.39	\$ 42,348.74	\$ 44,988.74	\$ 16,402.64
Music	0.00	8,389.60	5,715.44	4,746.94	4,746.94	2,674.16
Classes	2,560.50	59,671.55	56,286.52	3,803.53	3,803.53	5,945.53
Clubs	12,874.50	38,390.91	35,365.22	19,301.38	20,214.24	14,987.33
Departments	8,358.94	14,843.22	13,788.33	9,975.48	9,986.99	9,402.32
Trusts	26,595.54	121,005.55	130,167.73	29,378.95	28,492.24	18,320.07
General	( 79.18)	1,097.30	459.60	2,802.66	125.00	3,236.18
	\$ 50,310.30	\$ 408,629.16	\$ 387,971.23	\$ 112,357.68	\$ 112,357.68	\$ 70,968.23

Pahokee Middle/Senior High School  
Management Letter  
Year Ended June 30, 2017

*Note: Pahokee Middle-Senior High School operates a unique model of two separate campuses with one shared bank account and one shared school treasurer.*

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that:

- Two pages (#12-15085 and #12-15086) of the *Drop-safe Log* for the beginning of Fiscal Year 2018 were missing. The missing pages should contain collection information during July 25 through August 3, 2017.
- The Middle School's 2016-17 End-of-Year Checklist mistakenly instructed staff to submit all the yellow copies of the MCRs to the school treasurer instead of the school secretary as required by the District's procedures.
- At the year-end, some sponsors did not turn in the yellow copies of the MCRs, along with the computerized receipts, to the school secretary for record keeping.
- Monies were not always deposited into the bank in a timely manner. For example, \$475 collected through four MCRs was not timely processed by the school treasurer and deposited into the bank until six to 15 working days after the collections.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- To ensure proper fiscal accountability and as required by *Bulletin #P 18-132 CFO*, "Completed Drop-safe Logs along with PBSB 2587 will be filed sequentially in by document number and shall be retained for five years."
- As required by *Internal Accounts Manual, Chapter 7's Record Retention Requirements*, "Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary..."
- *DOE Rules and District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the

collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted liability and potential irregularities.

***Management's Response***

*Concur. We agree with the recommendations and will put them in place immediately.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser records found that:

- The sponsor for the Concession Fundraiser Sales (Account #1-6015.02) did not complete the required eLearning Fundraiser Training Course during Fiscal Year-2017.
- The Senior Jackets Sales (Account 5-2100.02) and Concession Sales (Account #1-6015.02) fundraisers did not have the *Sales Item Inventory Report*.

**Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- To ensure proper fiscal accountability, the *Sales Item Inventory Report* should be accurately completed with all needed information. *Accurate Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.

***Management's Response***

*Concur. We agree with the recommendations and will put them in place immediately.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of records for sample disbursements and P-Card purchases found that:

- The school did not always process payments for purchases in a timely manner. For example, the invoice for the prior year's yearbook purchase (totaling \$7,150.76), was dated April 28, 2016. However, this invoice was only processed for partial payment (Disbursement #12641 for \$1,000) on September 2, 2016. As of February 20, 2018, the school still owes \$6,150.76 for this invoice, about 10 months after the invoice date.
- Four disbursements totaling \$1,250 (#12816 for \$600, #12818 for \$300, #12852 for \$150, and #12853 for \$150) were for payments to two staff members for performing ticket seller duties at various athletic events. Employee compensation should be processed through the District's payroll system.
- Disbursement #12823 (for \$1,294.18) did not have the required *Purchase Order*. A *Purchase Order* is required for all purchases exceeding \$1,000.
- One disbursement #12735 (for \$3,239.50) did not have any supporting documentation.
- Disbursement #13059 for \$1,020 was for athlete meals during a meet. However, the disbursement was not adequately supported. An unsigned roster of participants was attached instead of one with athlete's signatures acknowledging receipt of the funds.
- A May 11, 2017, P-Card purchase (for \$300) was supported by a credit card receipt that did not have the details of the items purchased.
- Supporting documentation, such as invoices/receipts, were not defaced (stamped "PAID") after payment in order to prevent duplicate payments.

### Recommendation

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- To ensure accurate financial reporting and compliance with *Florida Prompt Payment Act*, the school should timely process payments for all invoices within 30 days of purchase.

Pahokee Middle/Senior High School  
Management Letter  
Year Ended June 30, 2017

- Disbursement procedures should be administered in accordance with the ***Internal Accounts Manual*** and related guidelines. Specifically, to ensure that Federal withholding taxes are withheld properly, compensation should be paid through the District’s payroll system.
- A *Purchase Order* approved by the Principal should be issued for each purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase.
- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- To avoid potential duplicated payments, supporting documentation should be defaced (stamped “PAID”) after payment was made.

***Management’s Response***

*Concur. Yearbook invoice was from previous principal and never paid. Ticket sellers payments have since been put through payroll. We agree with the recommendations and will put them in place immediately.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that the *Prenumbered Document Inventory Register (PBSD 0160)* was not maintained for the *Drop-safe Log* at the High School. Moreover, the *Register* was not maintained for *School Checks* at both the Middle and High Schools.

**Recommendation**

To ensure all Drop-safe Logs are properly accounted for and complying with ***Chapter 27 of the Internal Accounts Manual***, the designated document custodian for *School Checks* and *Drop-safe Log* should use the *Prenumbered Document Inventory Register (PBSD 0160)* to account for the usage and monthly inventory-check of these documents.

***Management’s Response***

*Concur. Conversations have been had with the document custodians. We agree with the recommendations and will put them in place immediately*

**Palm Beach Central High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 8499 West Forest Hill Boulevard  
Wellington, FL 33411

Principal:  
Fiscal Year 2017: Darren Edgecomb  
During Audit: Darren Edgecomb

Treasurer:  
Fiscal Year 2017: Norma Flores  
During Audit: Norma Flores

Community School Director:  
Fiscal Year 2017: Nereyda Garcia  
During Audit: Nereyda Garcia

**Cash and Investments**

Checking	\$ 449,175.27
Investments	
	\$ 449,175.27

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 67,458.49	\$ 282,126.41	\$ 272,523.13	\$ 142,768.42	\$ 135,769.77	\$ 84,060.42
Music	13,946.32	18,410.42	25,563.45	11,330.20	6,572.20	11,551.29
Classes	10,914.97	97,069.40	85,145.83	9,667.26	22,490.66	10,015.14
Clubs	33,330.42	282,141.46	257,695.65	72,846.02	78,631.27	51,990.98
Departments	62,961.50	124,487.00	106,858.05	48,877.12	26,664.60	102,802.97
Trusts	153,638.62	430,342.83	433,737.93	73,120.31	95,418.82	127,945.01
General	65,940.75	59,298.26	71,367.54	61,488.06	54,550.07	60,809.46
	\$ 408,191.07	\$1,293,875.78	\$1,252,891.58	\$ 420,097.39	\$ 420,097.39	\$ 449,175.27

## DEPOSIT OF MONIES

### Finding

The review of money collection process and sampling of *Monies Collected Reports* (MCRs) at the school found that:

- Incoming mails were sorted and distributed by someone other than the school treasurer. However, those mails addressed to the treasurer were given to her for opening and processing.
- Some sponsors did not attach the *Official Receipts* to the yellow copies of the MCRs when submitting these documents to the school secretary for record retention at the end of the school year.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- Incoming mails should be received and opened by different staff members. Payments, if any, received in the mails should be recorded on a *Monies Collected Report* (MCR) by the staff who opens the mail, prior to placing the collection into the drop-safe.
- As required by the *Sponsor's Checklist of Responsibilities* in the *Internal Accounts Manual, Chapter 7*, Teacher/sponsors should “compare the yellow copy of the MCR against the official receipt to confirm that funds were properly credited to the school’s accounting records.”

### Management's Response

*Concur. Incoming mail will be distributed and sorted by someone other than the treasurer.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchase records found that:

Palm Beach Central High School  
Management Letter  
Year Ended June 30, 2017

- The school purchased an iPad with a P-Card on May 24, 2017. However, District P-Card procedures do not allow the use of P-Cards to purchase computers, including iPads. They should be purchased through the District's Purchasing Department.
- Disbursement #21004 (for \$2,687.42) was supported by an approved *School District Consultant Agreement (PBSD 1420)* with a maximum contract amount of \$2,600. An amendment for the additional \$87.42 was created but was not signed by either the principal or the vendor.

**Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual, Chapter 24)*, and the related District guidelines. Specifically,

- P-Card should not be used for purchase of items and services disallowed by the *Purchasing Manual*.
- To protect the best interest of the school, *School District Consultant Agreements* should be properly executed with the needed information and signatures prior to the consultant providing the services.

***Management's Response***

*Concur. P-card will be used to purchase items allowed by the Purchasing Manual. The school district consultant agreements will be properly executed.*

**Palm Beach Gardens High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 4245 Holly Drive  
Palm Beach Gardens, FL 33410

Principal:  
Fiscal Year 2017: Larry Clawson  
During Audit: Larry Clawson

Treasurer:  
Fiscal Year 2017: Diane Clodfelter  
During Audit: Erica Prochilo

Community School Director:  
Fiscal Year 2017: Robin Johnson  
During Audit: Cynthia McDade

**Cash and Investments**

Checking	\$ 505,271.26
Investments	
	\$ 505,271.26

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 63,801.90	\$ 231,531.26	\$ 192,528.55	\$ 99,273.20	\$ 100,947.20	\$ 101,130.61
Music	21,132.22	73,166.54	84,225.74	18,928.12	18,436.07	10,565.07
Classes	30,763.91	103,454.44	77,944.29	33,884.31	50,130.57	40,027.80
Clubs	69,958.34	251,898.53	232,606.36	74,578.62	136,650.78	27,178.35
Departments	64,987.65	147,568.01	149,136.85	105,174.82	32,293.26	136,300.37
Trusts	185,836.94	310,587.60	316,363.69	108,060.91	109,632.66	178,489.10
General	6,825.76	( 1,491.81)	1,944.55	15,490.21	7,299.65	11,579.96
	\$ 443,306.72	\$1,116,714.57	\$1,054,750.03	\$ 455,390.19	\$ 455,390.19	\$ 505,271.26

Palm Beach Gardens High School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Palm Beach Lakes High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 3505 Shiloh Drive  
West Palm Beach, FL 33407

Principal:  
Fiscal Year 2017: David Alfonso  
During Audit: David Alfonso

Treasurer:  
Fiscal Year 2017: Melissa Terkovic  
During Audit: Mavolin Cornish

Community School Director:  
Fiscal Year 2017: Keith Wright  
During Audit: Keith Wright

**Cash and Investments**

Checking	\$ 185,277.31
Investments	
	\$ 185,277.31

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 30,609.74	\$ 183,605.16	\$ 196,193.11	\$ 69,623.26	\$ 58,730.08	\$ 28,914.97
Music	3,517.12	51,842.62	53,829.99	35,823.59	33,435.55	3,917.79
Classes	38,597.61	128,751.65	105,088.94	30,304.60	51,660.00	40,904.92
Clubs	15,791.43	44,967.51	49,231.39	31,415.71	27,262.21	15,681.05
Departments	18,107.46	39,190.67	31,183.77	30,739.94	21,250.35	35,603.95
Trusts	28,305.96	319,783.78	283,190.14	47,662.67	55,149.22	57,413.05
General	2,154.60	9,689.84	10,920.50	3,652.99	1,735.35	2,841.58
	\$ 137,083.92	\$ 777,831.23	\$ 729,637.84	\$ 249,222.76	\$ 249,222.76	\$ 185,277.31

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sample *Monies Collected Reports* (MCRs) found that:

- Three pages (pages #s 14-04670, 14-04671, and 14-04672) of the *Drop-safe Log* were missing. The missing pages were for collection information during February 9 through 16, 2017.
- The *Drop-safe Log* was not always completed with the required information. Specifically, *Section 3* for three pages (#s 14-12342, 14-12343, and 50-13101) were not signed by the staff-verifier to confirm the treasurer's entering the deposit information into the Internal Funds Accounting System.
- The review of the money collection process at the school revealed that some sponsors did not attach the Official Receipts to the yellow copies of the MCRs when submitting these documents to the school secretary for record retention at the end of the school year. Moreover, in some instances, the printed *Official Receipts* were still attached to the *Log* and not returned to the originating sponsors.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)*, *Internal Accounts Manual*, and District guidelines. Specifically,

- To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO*, (1) the treasurer and an independent staff should jointly verify the contents of the safe against *Section 2* of the *Log* to confirm that the deposits from the safe were removed by the treasurer for processing, and (2) the staff-verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- As required by the *Sponsor's Checklist of Responsibilities* in the *Internal Accounts Manual, Chapter 7*, Teacher/sponsors should "compare the yellow copy of the MCR against the official receipt to confirm that funds were properly credited to the school's accounting records."

### Management's Response

*This has been taking place since we hired the new treasurer.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation found that:

- The *Sales Item Inventory Report* for the Athletic T-Shirt Sales (Account 1-0010.07) was not approved by the Principal.
- Tickets were sold for the Parking at Two Football Games (Account #2-1000.04), generating a total of \$ 1,752 in sales revenue. However, the required *Ticket Sellers Report* was not maintained for this event. Also, the *Fundraising Application/Recap Form* was neither completed by the sponsor nor verified by the treasurer.
- The Concessions Sale (Account #1-5110.04) had the following exceptions:
  - The sponsor did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2017.
  - The *Sales Item Inventory Report* was not completed and the Recap Section (actual Sales) of the *Fundraising Application/Recap Form* was not verified by the school treasurer.

### Recommendation

Fundraisers should be administered in accordance with School Board Policy 2.16 and related District guidelines. Specifically,

- The *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the ending inventory, if any.
- ***Internal Accounts Manual, Chapter 26***, requires that *Ticket Sellers Report* be prepared in order for staff to reconcile revenues with the number of tickets sold. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.
- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.

- To ensure staff is familiar with and complying with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.

***Management's Response***

*Concur. The athletic director reviewed policy with coaches and this will not happen again.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

The review of sample disbursements and P-Card purchases found that:

- Disbursement #102449 (for \$375) did not have the supporting documentation for the expense or required Principal-approved *Check Requisition*.
- Disbursement #102060 (for \$300) was for purchase of resale items for fundraiser. However, the disbursement did not have any supporting documentation for the expense. Additionally, this fundraiser did not have a *Fundraiser Application/Recap Form*.
- Disbursement #102632 (for \$5,016) was for payment of hotel expenses for a conference attended by students. However, the related travel was supported only by an e-mailed hotel reservation confirmation instead of an itemized receipt/invoice.
- Disbursement #102731 (for \$500) was for paying a consultant for DJ services at the senior prom. However, the related *School District Consultant Agreement (PBSD 1420)* was not approved by the Principal.
- Supporting documentation such as invoices/receipts were not always defaced (stamped "PAID") after payment to prevent duplicate payment. For example, the supporting documents for 12 sample disbursements (#'s 101757, 101776, 101918, 101929, 102047, 102449, 102570, 102571, 102632, 102719, 102371, and 102749, totaling \$43,923.70) were not defaced after the payments.
- Disbursements #102570 and #102571 (for \$15,169) were for payments of hotel, transportation, and overnight shipping for an Out-of-State Chorus Festival field trip to Atlanta. However, the related *Fieldtrip Request Form* was not approved by the Area Superintendent.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- To protect the safety and welfare of students, prior to the consultant performing services at the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required dated signatures, and (2) the consultant's background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465 (Jessica Lunsford Act)*.
- To avoid potential duplicated payments, supporting documentation for payment should be defaced (stamped "PAID") after payment was made.
- Field trips should be administered in accordance with *School Board Policy 2.40*. Specifically, (1) field trips should be pre-approved by the Principal with adequate documentation, (2) in-county field trips should be approved by the Principal, and (3) out-of-county field trips should be approved by the Principal and Regional/Instructional Superintendent.

### **Management's Response**

*Concur. The new treasurer is making sure that all paperwork for fundraising is completed and all policies regarding fundraising is followed. The new treasurer is using the paid stamp. New treasurer is making sure that all documents I need to sign are being presented to me for signature. All field trips will now run through the treasurer who will make sure the money and the paperwork for the field trip are in order.*

## **ADULT EDUCATION AND COMMUNITY SCHOOL PROGRAMS**

### **Finding**

- District procedures require that community school fees be transmitted to the Central Office within 42 days after the classes begin. The school, however, did not transmit the fees timely to the Central Office, with delays ranging from 14 to 77 days.

Palm Beach Lakes High School  
Management Letter  
Year Ended June 30, 2017

- District procedures require that Adult Education fees be transmitted monthly to the Central Office within five working days after the close of accounting period. The related fees collected during 7 of the 11 months during School Year 2017 were not timely transmitted to the Central Office. Delays ranged from 3 to 11 working days.
- The review of records for the Adult Education and Community School Programs revealed that the Registration Forms were missing.

**Recommendation**

Adult Education and Community School Programs should be administered in accordance with the District's guidelines. Specifically,

- In accordance with District's guidelines, all Community School tuition fees should be transmitted to the Central Office within six weeks (42 days) in order to provide timely funding for Community School personnel and other related expenses.
- *Student Registration Forms* should be completed and retained for a time-period consistent with the ***District's Record Retention Schedule*** and related guidelines.

***Management's Response***

*Concur. We have hired a new assistant principal for Adult Ed. He is being trained and these issues will not occur again.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that:

- The *Document Custodian Assignment Register (PBSD 1663)* was not maintained.
- The school did not maintain the *Prenumbered Document Inventory Register (PBSD 0160)* for school checks.

**Recommendation**

To ensure proper fiscal accountability and as required by ***Chapter 27 of the Internal Accounts Manual***, a custodian for prenumbered forms should be someone who is not

involved in the day-to-day use of the form; and each assigned document custodian shall use the *Prenumbered Document Inventory Register* (PBSD 0160) to perform the periodic inventory of the prenumbered forms.

***Management's Response***

*Concur We have a new document custodian. She has been trained and this should not be a problem again.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of records for leasing of school facilities noted that:

- The school did not have the hard copy of the *Lease Agreement* #1003; and the lease did not have the required signatures. Also, Lease Agreement # 1004 did not have the signatures or dates of the lessee and witness. Also, the payment was collected 25 days late.
- Leasing charges for two leases (#1004 and #1009) were not always collected prior to the use of facilities. Delays ranged from 12 to 25 days.

**Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- To ensure Lease Agreements are legally enforceable, they should be properly executed with all the required signatures prior to the use of facilities by lessees.
- ***School Board Policy 7.18***, requires that leasing charges “*are to be paid by check or credit card (no cash) at least forty-eight (48) hours prior to the use of a facility.*”

***Management's Response***

*Concur. We have a new Adult Ed. Assistant Principal who is in charge of leases. He has been trained and I don't believe this will happen again.*

**Park Vista High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 7900 Jog Road  
Lake Worth, FL 33467

Principal:  
Fiscal Year 2017: Reginald Myers  
During Audit: Reginald Myers

Treasurer:  
Fiscal Year 2017: Leigh Katusak  
During Audit: Leigh Katusak

Community School Director:  
Fiscal Year 2017: Ronald Petek  
During Audit: Ronald Petek

**Cash and Investments**

Checking	\$ 538,955.92
Investments	
	\$ 538,955.92

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 75,727.66	\$ 446,049.55	\$ 409,651.49	\$ 146,690.74	\$ 149,014.72	\$ 109,801.74
Music	62,644.22	666,199.58	692,902.91	236,359.08	236,855.49	35,444.48
Classes	24,757.33	71,876.65	63,105.15	23,493.31	38,711.38	18,310.76
Clubs	53,566.82	188,035.84	167,892.90	42,660.68	47,635.82	68,734.62
Departments	143,572.48	169,647.55	157,865.42	57,402.40	57,453.32	155,303.69
Trusts	113,804.80	256,143.81	289,910.61	40,662.11	18,295.00	102,405.11
General	46,834.76	50,412.07	48,988.72	43,941.08	43,243.67	48,955.52
	\$ 520,908.07	\$1,848,365.05	\$1,830,317.20	\$ 591,209.40	\$ 591,209.40	\$ 538,955.92

Park Vista High School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Royal Palm Beach High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 10600 Okeechobee Boulevard  
 Royal Palm Beach, FL 33411

Principal:  
 Fiscal Year 2017: Jesus Armas  
 During Audit: Jesus Armas

Treasurer:  
 Fiscal Year 2017: JoAnne Hopkins  
 During Audit: JoAnne Hopkins

Community School Director:  
 Fiscal Year 2017: Alexandra Deveroux  
 During Audit: Alexandra Deveroux

**Cash and Investments**

Checking	\$ 143,582.04
Investments	
	\$ 143,582.04

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 14,961.24	\$ 131,570.24	\$ 144,579.16	\$ 26,076.66	\$ 24,874.48	\$ 3,154.50
Music	985.27	28,363.45	26,409.94	7,171.10	7,149.60	2,960.28
Classes	17,744.86	125,139.00	120,419.50	36,639.72	48,178.91	10,925.17
Clubs	39,351.49	204,195.91	232,631.40	96,782.88	84,952.01	22,746.87
Departments	31,331.01	108,134.67	117,958.32	36,107.04	24,418.81	33,195.59
Trusts	93,404.96	233,244.85	240,190.01	6,727.81	18,660.58	74,527.03
General	( 4,355.30)	7,618.33	5,919.61	8,728.29	9,999.11	( 3,927.40)
	\$ 193,423.53	\$ 838,266.45	\$ 888,107.94	\$ 218,233.50	\$ 218,233.50	\$ 143,582.04

Royal Palm Beach High School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Santaluces High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 6880 Lawrence Road  
Lantana, FL 33462

Principal:  
Fiscal Year 2017: Tameka Robinson  
During Audit: Tameka Robinson

Treasurer:  
Fiscal Year 2017: Susan Diglio  
During Audit: Susan Diglio

Community School Director:  
Fiscal Year 2017: Terry Gaddy  
During Audit: Terry Gaddy

**Cash and Investments**

Checking	\$ 269,807.59
Investments	
	\$ 269,807.59

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 44,848.36	\$ 192,241.08	\$ 188,653.81	\$ 61,176.02	\$ 63,909.19	\$ 45,702.46
Music	31,529.02	45,191.21	39,978.72	20,648.03	18,231.03	39,158.51
Classes	13,754.10	47,167.95	46,939.74	20,988.43	20,800.93	14,169.81
Clubs	14,972.95	58,012.08	56,327.47	10,552.96	9,585.04	17,625.48
Departments	65,654.86	84,840.66	86,543.23	36,490.20	30,922.57	69,519.92
Trusts	108,538.70	328,075.69	343,028.71	4,443.90	11,251.58	86,778.00
General	( 245.37)	1,957.08	5,259.10	640.80	240.00	( 3,146.59)
	\$ 279,052.62	\$ 757,485.75	\$ 766,730.78	\$ 154,940.34	\$ 154,940.34	\$ 269,807.59

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records found that:

- The sponsors for the Coupon Cards (Account 1-0510.09) and the Lanyard Sales Fundraiser (Account #1-0850.05) did not complete the required *Sales Item Inventory Reports*.
- According to the fundraiser sponsor and the school records, the Lanyards Sales Fundraiser (Account #1-0850.05) purchased 300 lanyards for resale at \$5 each, which should have generated a total estimated revenue of \$1,500. However, only \$1,095 was deposited into the Internal Funds during Fiscal Year 2017. As a result, \$405 (or 27%) in estimated revenue was unaccounted for.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically, *Sales Item Inventory Reports* should be prepared and completed with accurate information. Accurate information should assist staff in reconciling the sales revenue with the estimated revenue. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

### **Management's Response**

*Concur.*

## LEASING OF SCHOOL FACILITIES

### **Finding**

The review of records for leasing of school facilities found that:

- *Lease Agreements #1007* and *#1008* did not have the signatures or dates of the lessees and witnesses.
- The insurance payment for Lease #1008 was inadvertently recorded in the Rental Income and Utilities Accounts instead of the Insurance Account. As a result, \$178 in insurance premium was not transmitted to the Central Office.

### **Recommendation**

Leasing of school facilities should be administered in accordance with *School Board Policy 7.18* and related District guidelines. Specifically,

Santaluces High School  
Management Letter  
Year Ended June 30, 2017

- To protect the best interest of the School District, all *Lease Agreements* should be executed with all the required signatures prior to the use of facilities by lessees.
- Insurance collected from leases should be recorded in the Insurance Account (#6-1850) and transmitted to the Central Office accordingly.

***Management's Response***

*Concur.*

**Seminole Ridge High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 4601 Seminole Pratt Whitney Road  
Loxahatchee, FL 33470

Principal:  
Fiscal Year 2017: James Campbell  
During Audit: James Campbell

Treasurer:  
Fiscal Year 2017: Sherry Permeter  
During Audit: Rocio Soucy

Community School Director:  
Fiscal Year 2017: John Hay  
During Audit: John Hay

**Cash and Investments**

Checking	\$ 489,855.69
Investments	
	\$ 489,855.69

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 58,184.86	\$ 231,686.01	\$ 252,027.12	\$ 121,657.90	\$ 111,682.90	\$ 47,818.75
Music	38,272.60	247,234.62	268,143.94	77,933.93	69,092.81	26,204.40
Classes	21,399.40	64,964.13	56,245.04	17,137.70	18,337.70	28,918.49
Clubs	43,634.23	137,247.45	117,448.87	28,626.52	42,584.67	49,474.66
Departments	136,294.27	260,778.50	242,199.98	97,313.57	93,268.72	158,917.64
Trusts	196,586.69	225,926.93	245,898.15	26,873.50	30,198.19	173,290.78
General	13,124.69	34,826.90	38,342.49	29,252.66	33,630.79	5,230.97
	\$ 507,496.74	\$1,202,664.54	\$1,220,305.59	\$ 398,795.78	\$ 398,795.78	\$ 489,855.69

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records found that:

- The *Sales Item Inventory Report* for the Yearbook sales (Account #5-0450.01) was neither signed by the sponsor nor reviewed and approved by the Principal. Yearbooks were sold at unit prices ranging from \$50 to \$120. A total of 49 yearbooks with an estimated resale value between \$2,450 and \$5,880 were reported as given-away without explanation or documentation of who received these items free-of-charge.
- The *Sales Item Inventory Report* for the PE Uniform sales (Account #5-1900.01) was not reviewed and approved by the Principal. The *Report* also indicated that 167 PE uniforms with a total resale value of \$2,171 were given-away without explanation or documentation of who received these items free-of-charge.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically, fundraiser sponsors should complete the *Sales Item Inventory Report* with accurate information for the fundraising activity. The *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items that were given-away.

### **Management's Response**

*Concur. Addressed the need to document any items given away on the Sales Item Inventory and stressed the importance of correcting this issue.*

**Spanish River High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 5100 Jog Road  
Boca Raton, FL 33496

Principal:  
Fiscal Year 2017: William Latson  
During Audit: William Latson

Treasurer:  
Fiscal Year 2017: Donna D’Aria  
During Audit: Donna D’Aria

**Cash and Investments**

Checking	\$ 647,422.93
Investments	
	\$ 647,422.93

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 98,082.22	\$ 285,805.99	\$ 280,603.51	\$ 44,012.41	\$ 41,539.05	\$ 105,758.06
Music	19,537.93	218,489.80	213,317.71	73,911.64	59,511.64	39,110.02
Classes	9,376.26	121,227.05	125,027.27	20,712.38	13,788.56	12,499.86
Clubs	93,183.01	319,751.70	295,061.30	55,294.56	59,597.46	113,570.51
Departments	98,814.31	106,209.64	134,372.70	23,942.61	10,436.41	84,157.45
Trusts	216,255.40	405,664.30	360,660.88	29,133.84	58,131.86	232,260.80
General	39,916.40	61,712.49	37,560.20	38,584.13	42,586.59	60,066.23
	\$ 575,165.53	\$1,518,860.97	\$1,446,603.57	\$ 285,591.57	\$ 285,591.57	\$ 647,422.93

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation found that:

- The sponsor for the WSRH T-shirts Sales (Account #5-0400.02) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017.
- The *Sales Item Inventory Report* for the WSRH T-Shirts Sales (Account #5-0400.02) was not completed with accurate information. A total of \$1,525 in sales revenues was deposited into the Internal Funds during March 16 through May 16, 2017. Based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of \$4,200. As a result, \$2,675 (64%) in estimated revenue was unaccounted for. Moreover, this fundraiser did not have the Principal's approved *Fundraising Application/Recap Form*.
- The Class of 2017 – Sweatshirt Sales (Account #3-2017.05) did not have the required *Sales Item Inventory Report*. A total of \$2,270 was deposited into the Internal Funds during December 14, 2016, through February 13, 2017. Based on the school's purchasing records, this fundraiser should have generated a total estimated sales revenue of \$2,520. As a result, \$250 (10%) in estimated revenue was unaccounted for.

### Recommendation

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser. Accurate information will assist staff in reconciling the actual sales revenue with the estimated revenue. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items, if any, that were given-away or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

***Management's Response***

*Concur. Teacher has retired, new teacher trained.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

Disbursement #44226 (for \$18,000) was for a band trip to Washington, D.C. However, the related *Field Trip/Activity Planning Report and Approval Request Form* was not approved by the Regional/Instructional Superintendent, Chief Academic Officer, and Chief Operating Officer.

**Recommendation**

Field trips should be administered in accordance with ***School Board Policy 2.40***. Specifically, out-of-state field trips should be approved by the Principal, Regional/Instructional Superintendent, Chief Academic Officer, and Chief Operating Officer.

***Management's Response***

*All forms were submitted to and were approved and signed.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of leasing records for use of school facilities found that:

- The school's leasing revenue was understated in the Tririga System by \$15,410.90. Fees for student theatre technicians were billed to the lessees separately and were not included in the Tririga System.
- The Tririga System indicated that *Lease Agreement* #1038 had a status of "Review in Progress." Although \$3,026.05 was collected for this lease, the school did not have the executed *Lease Agreement*.
- *Lease Agreement* #1015 was not signed by the lessee and witness.

**Recommendation**

Leasing of school facilities should be administered in accordance with *School Board Policy 7.18* and related District guidelines. Specifically,

- All leasing charges should be entered into the Tririga System and the *Lease Agreements* show the full amount due from lessees.
- To protect the best interest of the School District, all *Lease Agreements* should be properly executed with all the required signatures on the “Issued” copy of leases prior to the use of facilities by lessees.

***Management’s Response***

*Concur. Leasing coordinator was new and still learning. He has been properly trained.*

**Suncoast High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1717 Avenue "S"  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2017: Karen Whetsell  
During Audit: Karen Whetsell

Treasurer:  
Fiscal Year 2017: Lynn Gold  
During Audit: Lynn Gold

**Cash and Investments**

Checking	\$ 381,053.80
Investments	
	\$ 381,053.80

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 94,675.43	\$ 337,543.32	\$ 346,053.05	\$ 67,390.31	\$ 67,705.76	\$ 85,850.25
Music	22,944.51	179,639.29	182,888.53	27,707.65	27,711.64	19,691.28
Classes	43,834.65	114,478.35	100,043.39	4,566.95	24,128.56	38,708.00
Clubs	32,801.17	223,042.29	187,736.42	24,467.20	23,741.92	68,832.32
Departments	74,763.16	197,147.37	196,443.41	27,122.99	22,636.18	79,953.93
Trusts	48,504.15	182,641.08	142,756.84	10,166.00	17,991.24	80,563.15
General	7,364.87	42,631.35	65,035.55	22,502.20	8.00	7,454.87
	\$ 324,887.94	\$1,277,123.05	\$1,220,957.19	\$ 183,923.30	\$ 183,923.30	\$ 381,053.80

## DEPOSIT OF MONIES

### Finding

The review of money collection process and sample of *Monies Collected Reports* (MCRs) and at the school found that,

- One entry on the *Drop-safe Log* (totaling \$677) dated August 26, 2016, did not have a receipt number in *Section 3* and could not be traced to the General Ledger. No explanation was stated on the *Drop-safe Log*. Consequently, \$677 in collections were unaccounted for.
- *Section 2* for five pages of the *Drop-safe Log* (pages 14-05480, 14-05481, 14-05486, 14-05487, and 14-05504) was signed by the independent staff verifier, but the dates when the monies were removed from the safe were not recorded.
- *Section 3* for two pages of the *Drop-safe Log* (pages 14-05486 and 14-05487) (1) did not have the receipt numbers, and (2) were not signed by the independent staff verifier to confirm the treasurer's entering the deposit information into the Internal Funds Accounting System.
- Two MCRs totaling \$523.61 (#1064-34 for \$95.61 and #1064-35 for \$428) were not accurately recorded on the *Drop-safe Log*. The amounts recorded on the *Drop-safe Log* did not agree with the amounts reported on the *Monies Collected Reports*. There was no explanation for the discrepancy recorded on the *Drop-safe Log*.
- Monies were not always deposited in a timely manner. For example, a total of \$1,025 collected through six sample MCRs (#1064-17, 1132-1, 1132-7, 1132-19, 1135-3, and 1135-12) were retained by the sponsors for one to two working days before they were put into the drop-safe for deposit.

### Recommendation

Money collections should be administered in accordance with *Internal Accounts Manual*, and District guidelines. Specifically,

- Responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the monies into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer's removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

- To ensure proper fiscal accountability and as required by **Bulletin #P-14051-S/CFO**, deposit information should be properly recorded on the *Drop-safe Log*.
- **DOE Rules** and **District Bulletin #P-14051-S/CFO** require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsors to unwarranted liability and result in potential irregularities.

***Management's Response***

*Concur. Staff reminded that all monies collected are to be placed in the safe daily. This document, along with the Drop Safe Log, has been reviewed with the Treasurer (who manages the Drop Safe Log). The Drop Safe Log will be periodically monitored by either the Principal or an Assistant Principal.*

**CHANGE FUND**

**Finding**

The school maintained a Change Fund totaling \$3,100 during the audit. Change fund transactions were manually recorded by the treasurer in a handwritten notebook instead of using the Cashbox Module of the school's accounting system. Furthermore, the event sponsors did not sign for receiving or returning the change funds indicating they had verified the amount of funds with the treasurer.

**Recommendation**

To ensure school assets are properly safeguarded, change funds should be maintained in accordance with ***Internal Accounts Manual, Chapter 10, Change Funds***.

***Management's Response***

*Everyone signed for the Change Fund on the ticket Sellers Report. Everything was accounted for. As of March 1, 2018 we will use the Cashbox Module as outlined above.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card transaction records revealed that:

- Disbursement #17929 (for \$4,000) was for the cheerleading consultant services beginning August 24, 2017. However, the related *School District Consultant Agreement* was not created or signed by the principal until September 29, 2017, 25 working days after contract services began.
- Disbursement #19185 (for \$1,925) was supported by a *School District Consultant Agreements* for an Assistant Lacrosse Coach. However, the disbursement was not supported by an invoice, which should show the services performed, and the periods of service. Furthermore, the contract was not signed by the Principal until two days after services began.

### Recommendation

Disbursement procedures should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and related District guidelines. Specifically,

- All disbursements should be documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- To protect the safety and welfare of students, prior to the consultant performing services within the school: (1) the *School District Consultant Agreement (PBSD 1420)* should be executed accordingly with all the required dated signatures, and (2) most importantly, the consultant's background and clearance checks must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465 (Jessica Lunsford Act)*.

### Management's Response

*Concur. Work will not begin in advance of the signing date of the contract(s). All documents will be gathered prior to payment of contract or reimbursement.*

**Wellington High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 2101 Greenview Shores Boulevard  
Wellington, FL 33414

Principal:  
Fiscal Year 2017: Mario Crocetti  
During Audit: Mario Crocetti

Treasurer:  
Fiscal Year 2017: Dorothy Billie  
During Audit: Dorothy Billie

Community School Director:  
Fiscal Year 2017: Chris Romano  
During Audit: Chris Romano

**Cash and Investments**

Checking	\$ 627,124.15
Investments	
	\$ 627,124.15

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 100,029.89	\$ 407,252.23	\$ 380,225.56	\$ 181,089.24	\$ 203,091.51	\$ 105,054.29
Music	13,147.08	101,495.26	96,647.37	16,434.14	16,695.11	17,734.00
Classes	3,524.74	7,147.00	8,213.74	2,114.63	2,918.19	1,654.44
Clubs	87,261.99	287,437.43	284,207.39	44,249.59	50,802.56	83,939.06
Departments	106,557.06	231,932.15	241,824.58	64,919.56	52,544.86	109,039.33
Trusts	250,409.13	363,905.26	367,041.05	31,397.14	13,851.11	264,819.37
General	54,031.73	36,277.30	45,124.41	38,291.78	38,592.74	44,883.66
	\$ 614,961.62	\$1,435,446.63	\$1,423,284.10	\$ 378,496.08	\$ 378,496.08	\$ 627,124.15

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that the sponsor for the Parking Pass Sales (Account # 7-0100.01) did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2017. In addition, the *Sales Item Inventory Reports* were not approved by the Principal

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. Specifically,

- To ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Training Course annually prior to conducting fundraising activities.
- The *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for items, if any, that were given-away or missing. Discrepancy between the estimated revenue and actual receipt should be investigated and resolved accordingly.

### Management's Response

*Concur. Required training will be completed and the SIIR will be approved by the principal.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of records for sample disbursements and P-Card purchases found that:

- Disbursements #21383 and #22295 (for \$2,999 each) totaling \$5,998 for cheerleading team training were each supported by *School District Consultant Agreements* and invoices. However, we found the following noncompliance:
  - *School Board Policy 6.14(4)(b)(ii)(A)* authorizes the Principal “to purchase contractual services, including Professional Services, in an amount not to exceed five thousand dollars (\$5,000) per vendor per fiscal year per school.” The combined total of these disbursements exceeded the principal’s authority by \$998. Both *Agreements* were approved by the Principal.
  - Disbursement #21383: The related *Agreement’s* contract period was August 15 through

Wellington High School  
Management Letter  
Year Ended June 30, 2017

October 9, 2016; however, it was not approved by the Principal until August 23, 2016.

- Disbursement #22295: The related *Agreement* was for services rendered during October 10, 2016 through February 12, 2017. However, the *Agreement* was neither signed by the consultant nor approved by the Principal until February 23, and March 2, 2017, respectively
- Disbursement #22236 (for \$100) was for payment to a consultant for entertainment services during the February 24, 2017, basketball game. However, the engagement of this consultant did not have a School District Consultant Agreement (PBSD 1420).
- Disbursements #20932 (for \$600) and #20933 (for \$150) were issued to the Athletic Director and Community School Director, respectively, to establish change funds. This should have been handled through the use of a *Request for Change* form and emailing the form to the Treasury Department.

### **Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and the related District guidelines. Specifically,

- To protect the best interest of the school, *School District Consultant Agreements* should be properly executed with the needed information and signatures prior to the consultant providing the services. Further, *School Board Policy 6.14(4)(b)(iv)* states, “*Principals may not divide the procurement of commodities or contractual service so as to avoid the delegated monetary threshold.*”
- To ensure school assets are properly safeguarded, change funds should be maintained in accordance with *Internal Accounts Manual, Chapter 10, Change Funds*.

### **Management’s Response**

*Concur. Threshold limits will be enforced. All contractual guidelines will be followed.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The *Prenumbered Document Inventory Register* was not maintained for the athletic games’ prenumbered tickets. Moreover, the Athletic Director was the assigned custodian for athletic tickets although the athletic director also used the prenumbered tickets for fee collections.

**Recommendation**

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*, a custodian for prenumbered forms should be someone who is not involved in the day-to-day use of the form; and each assigned document custodian shall use the *Prenumbered Document Inventory Register* (PBSD 0160) to perform the periodic inventory of the prenumbered forms.

***Management's Response***

*Concur. An additional document custodian will be appointed for athletic department PDIR forms.*

**West Boca Raton High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 12811 Glades Road  
 Boca Raton, FL 33498

Principal:  
 Fiscal Year 2017: Craig Sommer  
 During Audit: Craig Sommer

Treasurer:  
 Fiscal Year 2017: Linda Scharrer  
 During Audit: Linda Scharrer

Community School Director:  
 Fiscal Year 2017: Lyle Agnew  
 During Audit: Lyle Agnew

**Cash and Investments**

Checking	\$ 706,116.24
Investments	
	\$ 706,116.24

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 125,204.46	\$ 235,218.27	\$ 224,531.88	\$ 88,089.79	\$ 92,392.79	\$ 131,587.85
Music	162,261.48	146,854.01	125,177.53	34,793.14	35,300.64	183,430.46
Classes	11,917.79	86,815.02	71,908.99	17,302.66	20,229.96	23,896.52
Clubs	51,686.75	134,322.91	118,217.01	33,211.54	36,497.77	64,506.42
Departments	125,355.37	326,317.49	346,070.44	168,371.47	147,776.04	126,197.85
Trusts	157,401.61	261,604.70	286,060.08	21,420.35	32,797.45	121,569.13
General	96,778.03	46,304.10	89,959.82	46,835.99	45,030.29	54,928.01
	\$ 730,605.49	\$1,237,436.50	\$1,261,925.75	\$ 410,024.94	\$ 410,024.94	\$ 706,116.24

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sample *Monies Collected Reports (MCRs)* found that some MCRs were not completed with all the required information. For example, three MCRs (#829-2 for \$3, #829-33 for \$60, and #896-21 for \$1,721.42) did not list the check numbers of the payments.

### Recommendation

Money collections should be administered in accordance with *DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)* and District guidelines. Specifically, monies collected should be supported by MCRs with all the required information, including the account number, remitter's signature, payer's name, dollar amount, and check number when appropriate.

### Management's Response

*Concur. Procedures are in place to ensure proper documentation going forward.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card records found that:

- Disbursement #28752 (for \$246.52) was to pay a staff for food, gas and tolls during an out-of-county trip. However, the *Out-of-County Travel Reimbursement Claim Form (PBSDC 0095)* was not approved by the Principal. Also, the required *Field Trip Request Form* was not prepared for the Principal's approval.
- The school spent a total of \$13,800 through four check payments (#28845 for \$5,000, #29224 for \$4,000, #29586 for \$2,000 and #29997 for \$2,800) to a single vendor for musical show set. However, the vendor was not on the District approved vendor list and the school did not obtain competitive quotes as required by *School Board Policy 6.14*.
- Disbursement #29212 (for \$500) was a deposit towards the girls' soccer banquet. However, the disbursement was supported by a contract signed by the sponsor instead of the Principal.

### **Recommendation**

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and the related District guidelines. Specifically,

- Field trips should be conducted in accordance with School Board Policy 2.40 and related District guidelines. A *Field Trip/Activity Planning Report and Approval Request* and TDE forms must be completed by the sponsor and pre-approved by the Principal and other appropriate supervisors, depending on the destination of the field trip.
- **School Board Policy 6.14, 5.c.ii.A**, states “*Competitive quotes shall be requested from three (3) or more sources for commodities and contractual services when requisitioning any item or group of similar items exceeding five thousand dollars (\$5,000) except as exempted by State Board of Education Rule 6A-1.012 or other applicable laws.*” The school should comply with the District competitive bidding requirement for purchases in excess of \$5,000.
- All contracts should be approved by the Principal as required by **School Board Policy 6.14(4)**, which states “*the School Board has delegated limited authority to ... School Principals relating to the purchase of commodities and contractual services ...*” and “*No person, unless specifically authorized to purchase commodities or contractual services under School Board policies, may make any purchase or enter into any contract involving the use of school or School District funds.*”

### **Management’s Response**

*Concur. New staff has been hired and district training has been completed.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of control in Prenumbered Documents found that monthly inventory was not performed and the *Prenumbered Document Inventory Register (PBSD 0160)* was not maintained for the *Drop-safe Logs* as required by **Chapter 27** of *the Accounts Manual*.

### **Recommendation**

To ensure proper fiscal accountability and as required by **Chapter 27** of *the Internal Accounts Manual*, the designated document custodian for the *Drop-safe Logs* should use the *Prenumbered Document Inventory Register (PBSD 0160)* to document the usage and monthly

West Boca Raton High School  
Management Letter  
Year Ended June 30, 2017

inventory-check of the *Logs*.

***Management's Response***

*Concur. New staff has been hired and district training has been completed.*

**William T. Dwyer High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 13601 North Military Trail  
Palm Beach Gardens, FL 33418

Principal:  
Fiscal Year 2017: Joe DePasquale  
During Audit: Joe DePasquale

Treasurer:  
Fiscal Year 2017: Connie Hodgdon  
During Audit: Connie Hodgdon

**Cash and Investments**

Checking	\$ 397,455.29
Investments	
	\$ 397,455.29

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 48,478.15	\$ 207,059.21	\$ 194,113.56	\$ 32,988.23	\$ 37,830.06	\$ 56,581.97
Music	4,559.74	68,863.78	70,123.66	11,186.45	11,088.45	3,397.86
Classes	70,506.68	91,415.05	72,488.68	28,309.59	30,079.59	87,663.05
Clubs	50,788.48	202,910.31	196,517.86	36,344.42	34,922.06	58,603.29
Departments	57,917.53	134,798.17	126,135.43	47,207.62	41,627.61	72,160.28
Trusts	138,567.36	279,655.98	306,931.53	30,243.51	35,139.21	106,396.11
General	15,094.13	5,262.97	12,111.53	5,003.29	596.13	12,652.73
	\$ 385,912.07	\$ 989,965.47	\$ 978,422.25	\$ 191,283.11	\$ 191,283.11	\$ 397,455.29

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that:

- The sponsor for the Athletic Parking Decal Sale (Account #1-0010.01) did not complete the required eLearning Fundraiser Training Course for FY17.
- Based on the school's fundraising records for the Chorus Cheesecake Sale (Account #2-1500.01), this fundraiser should have generated a total estimated revenue of \$13,240. However, only \$12,529 in sales revenue was deposited into the Internal Funds. As a result, \$711 (5.3%) in estimated revenue was unaccounted for.

### Recommendation

- To ensure staff understand and comply with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.
- *Sales Item Inventory Report* should be prepared and completed with accurate information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenue and (2) tracking items purchased, given-away, or remained in ending inventory. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly. All monies raised through fundraisers should be accounted for properly.

### *Management's Response*

*Concur. More closely monitoring who has completed the ELM training. Sponsor has stated that the difference comes from items given away, spoiled, used at different events as refreshments, and remaining inventory sold at a reduced rate. Both sponsors have been notified of the findings.*

# **Other Schools**

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### Other Schools Summary of Audit Findings FY 2017 Internal Funds Audits

Other Schools	Community School / Summer Camp / Safe School Programs								Disbursements						Receipts						Leases					Other								Number of Findings							
	14	32	35	34	33	37	36	38	4	2	1	3	5	6	7	7a	8	12	9	10	31	28	27	30	29	29a	39	40	41	43	11	44	45		46	47					
	1	5	11	13	14	15	16	17	18	19	19a	20	21	22	23	23a	24	25	26	27	28	29	30	31	32	32a	33	34	35	37	38	39	40		41	42					
	Fees Not Timely Transmitted to Central Office	Student Registration and Attendance Records Missing	Missing Timecard	Timecard Not Signed By Employee	Timecard Not Signed-Off By Supervisor	Payroll Did Not Match With Employee Timecard	Staff Incurred Excessive Hours	Program Deficit and/or High Staffing Level	Wages/Stipends Paid From Internal Funds	Inadequate Support for Disbursement	P-Card Related Findings	Disbursement Not Properly Approved	Purchases From School Employee	Disbursement Funded By Incorrect Account	Access to Drop Safe	Drop Safe Log Not Used Completely	Monies Not Deposited Timely	Receipts Recorded In Wrong Account	Copy of MCR Not Maintained by Sponsor	Monies Collected Not Properly Documented	Lease Prequalification Not Available	Lease Agreement Not Adequately Maintained	Inadequate Proof of Insurance	Fees Collected After Use	Undercharged Rental	Leasing Fee Collections Incorrectly Distributed	Monies and School Checks Not Adequately Safeguarded	Staff Performing Incompatible Duties	Bank Reconciliation Not Completed Timely	Adjustments to Records Not Properly Approved/Documented	Fundraisers Not Adequately Documented	Field Trips Not or Late Approved By Principal	Out of County Trips Not Approved By Area Superintendent	No Document Custodian Assigned for Prenumbered Documents	Periodic Inventory Not Performed for Prenumbered Documents						
Adult Education Center									√						√																									2	
Crossroads Academy									√	√																															2
Delray Full Service Center																																						√			1
Gold Coast Community School										√																														4	
Indian Ridge School																			√																					3	
Palm Beach Virtual School																																								0	
Riviera Beach Preparatory & Achievement Academ																	√																							5	
Royal Palm School																																								0	
South Intensive Transition School																																								0	
Turning Points Academy																																								2	
<b>Total (10 Schools)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>19</b>		

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**Adult Education Center  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 2161 North Military Trail  
West Palm Beach, FL 33409

Principal:  
Fiscal Year 2017: Rick Swearingen  
During Audit: Rick Swearingen

Treasurer:  
Fiscal Year 2017: Carolyn Jefferson  
During Audit: Carolyn Jefferson

**Cash and Investments**

Checking	\$ 130,525.89
Investments	
	\$ 130,525.89

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	0.00	0.00	0.00	0.00	0.00	0.00
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	27.20	0.00	0.00	0.00	0.00	27.20
Trusts	9,448.15	243,332.85	233,906.87	489.27	11,864.27	7,499.13
General	101,024.51	24,430.28	13,830.23	11,705.00	330.00	122,999.56
	\$ 110,499.86	\$ 267,763.13	\$ 247,737.10	\$ 12,194.27	\$ 12,194.27	\$ 130,525.89

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school revealed that the *Drop-safe Logs* were not always completed with all the required information. Specifically, the independent verifier did not sign *Sections 3* on four pages of the *Drop-safe Log* (page #s 14-27842, 14-26089, 14-26109, and 14-26122). Moreover, the receipt number was not recorded on three pages in *Section 3* of the *Log* (#s 14-26089, 14-261109, and 14-26122).

### Recommendation

To ensure proper fiscal accountability, responsible staff should complete the *Drop-safe Log* with all the required information. The activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent staff verifier should jointly complete *Section 2* of the *Log* to confirm the treasurer removing the deposits for processing. Lastly, the staff verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur. The recommended action is clear and will be followed in the future.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

Disbursement #10952 (for \$2,620.43) was for payment of graduation gowns and caps. However, the related *Purchase Order* was not approved by the Principal until 77 days after the invoice date.

### Recommendation

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and the related District guidelines. Specifically, purchase in excess of \$1,000 requires a *Purchase Order* approved by the Principal. This will help ensure that funds are and will be available for the purchase. Moreover, all purchases should be preapproved by the Principal.

Adult Education Center  
Management Letter  
Year Ended June 30, 2017

***Management's Response***

*Concur. Although I understand that my staff needed to make graduation purchases with limited time available and they know I needed to approve that purchase, I will inform them that district procedures must be followed.*

**Crossroads Academy**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 225 S.W. 12th Street  
 Belle Glade, FL 33430

Principal:  
 Fiscal Year 2017: Diane Howard  
 During Audit: Diane Howard

Treasurer:  
 Fiscal Year 2017: Isabel Garcia  
 During Audit: Francisca Esparza

**Cash and Investments**

Checking	\$ 5,965.79
Investments	
	\$ 5,965.79

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Classes	18.25	0.00	0.00	0.00	18.25	0.00
Clubs	320.65	1,185.00	997.20	0.00	0.00	508.45
Departments	0.00	0.00	0.00	0.00	0.00	0.00
Trusts	2,448.26	9,084.59	6,227.70	1,330.00	1,511.10	5,124.05
General	46.30	3,115.56	3,027.92	500.99	301.64	333.29
	\$ 2,833.46	\$ 13,385.15	\$ 10,252.82	\$ 1,830.99	\$ 1,830.99	\$ 5,965.79

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser documentation revealed that the sponsor for the Yearbook Club (Account #4-6390.00) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2017.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically, to ensure fundraiser sponsors are familiar with and complying with the updated fundraising procedures, they should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.

### ***Management's Response***

*Concur. We will make provisions to correct.*

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

Disbursement #3082 for (\$48) did not have adequate supporting documentation for the expense. The expenditure was supported by a memo from the sponsor requesting reimbursement.

### **Recommendation**

To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.

### ***Management's Response***

*Concur. We will make provisions to correct.*

## LEASING OF SCHOOL FACILITIES

### **Finding**

The review of leases found that Lease #1004 was recorded in the Tririga System; but it was not corrected after the lease was cancelled later. This lease had a total leasehold amount of \$1,400 but the cancellation was not entered into the Tririga System. As a result, the leasing revenue was overstated by \$1,400 in the Tririga System.

### **Recommendation**

Leasing of school facilities should be administered in accordance with *School Board Policy 7.18* and related District guidelines. Specifically, leasing information should be accurately recorded in the Tririga System. The leasing record should be updated accordingly with new information, such as fee waivers and amendments in leasing arrangements.

### ***Management's Response***

*Concur. We will make provisions to correct.*

**Delray Full Service Center  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 301 S.W. 14th Avenue  
Delray Beach, FL 33444

Principal:  
Fiscal Year 2017: Brian Killeen  
During Audit: Brian Killeen

Treasurer:  
Fiscal Year 2017: Susana Figureoa / Nathalie Lafontant  
During Audit: Nathalie Lafontant

**Cash and Investments**

Checking	\$ 12,771.30
Investments	
	\$ 12,771.30

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	0.00	0.00	0.00	0.00	0.00	0.00
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	0.00	0.00	0.00	0.00	0.00	0.00
Trusts	1,733.62	45,292.70	45,676.04	0.00	0.00	1,350.28
General	8,129.77	3,305.00	13.75	3,205.00	3,205.00	11,421.02
	\$ 9,863.39	\$ 48,597.70	\$ 45,689.79	\$ 3,205.00	\$ 3,205.00	\$ 12,771.30

## PRENUMBERED DOCUMENTS

### **Finding**

The review of controls in prenumbered documents found that the *Document Custodian Assignment Register (PBSD 1663)* was not maintained. The same finding was noted in the 2016 Audit.

### **Recommendation**

To ensure proper fiscal accountabilities and as required by *Chapter 27 of the Internal Accounts Manual*, designated staff should be assigned as document custodians for each prenumbered form; and the assignments should be recorded on the *Document Custodian Assignment Register (PBSD 1663)*.

### **Management's Response**

*Concur. We have assigned staff to serve as document custodians.*

**Gold Coast Community School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 4260 Westgate Avenue  
 West Palm Beach, FL 33409

Principal:  
 Fiscal Year 2017: Timothy Abrams  
 During Audit: CLOSED

Treasurer:  
 Fiscal Year 2017: Blanca Figueroa  
 During Audit: CLOSED

**Cash and Investments**

Checking	\$ 2,314.63
Investments	
	\$ 2,314.63

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 112.70	\$ 470.25	\$ 529.03	\$ 591.70	\$ 645.62	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	0.00	0.00	0.00	0.00	0.00	0.00
Clubs	51.52	493.55	559.30	265.25	99.75	151.27
Departments	258.07	26.70	0.00	0.00	0.00	284.77
Trusts	3,792.26	19,439.28	21,405.44	2,834.73	2,784.81	1,876.02
General	1,914.37	2,118.50	3,868.80	1,364.08	1,525.58	2.57
	\$ 6,128.92	\$ 22,548.28	\$ 26,362.57	\$ 5,055.76	\$ 5,055.76	\$ 2,314.63

## DEPOSIT OF MONIES

### Finding

Some fundraisers sponsors did not attach the Official Receipts to the yellow copies of the MCRs when submitting these documents to the school secretary for record retention at the end of the school year.

### Recommendation

As required by the *Sponsor's Checklist of Responsibilities* in the *Internal Accounts Manual, Chapter 7*, Teacher/sponsors should “*compare the yellow copy of the MCR against the official receipt to confirm that funds were properly credited to the school's accounting records.*”

### Management's Response

*Since all receipts and yellow MCRs were accounted for I don't consider this to be an audit finding. Teachers currently compare yellow MCRs and receipts. They just don't attach them to each other.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records revealed that:

- The fundraiser sponsor for the Yearbook Sales (Account #5-0450.01) enrolled for the Fiscal Year 2017 eLearning Fundraiser Training on August 16, 2016. However, the sponsor did not complete the training.
- The *Sales Item Inventory Report* for the Home Economics Coupon Books Sales (Account #5-1200.02) did not accurately reflect the quantity of items purchased for resale. According to the accounting records, the school purchased 50 coupon books; however, only 25 books were recorded as purchased on the *Sales Item Inventory Report*. Moreover, 25 books were incorrectly reported as beginning inventory.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

Gold Coast Community School  
Management Letter  
Year Ended June 30, 2017

- To ensure staff is familiar with and complying with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.
- To protect the school's best interest and ensure proper fiscal accountability, the *Sales Item Inventory Report* should be accurately completed with all needed information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.

***Management's Response***

*Concur. The school treasurer will review reports with sponsor and investigate to help correct any discrepancies during fundraiser recap. The School treasurer will advise all sponsors to take required trainings before beginning any activity.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

*Lease Agreements* were not always properly executed with all the required signatures. Seven *Agreements* (#s 1013, 1014, 1017, 1019, 1020, 1023, and 1024) with the same lessee did not have the signature of a witness.

**Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. To ensure *Lease Agreements* are legally enforceable, they should be executed with all the required signatures prior to the use of facilities by lessees.

***Management's Response***

*Concur. Leasing coordinator attended leasing training on July 26, 2017, where proper execution of leases was reviewed. All leases are now signed and witnessed.*

**Indian Ridge School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 1955 Golden Lakes Boulevard  
West Palm Beach, FL 33411

Principal:  
Fiscal Year 2017: Natalie Cromwell  
During Audit: Natalie Cromwell

Treasurer:  
Fiscal Year 2017: Yiset Paredes  
During Audit: Yiset Paredes

**Cash and Investments**

Checking	\$ 54,214.58
Investments	
	\$ 54,214.58

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	3,532.43	0.00	6,348.35	10,439.85	5,412.55	2,211.38
Clubs	1,002.04	267.47	2,220.02	5,938.04	4,334.81	652.72
Departments	4,195.91	23,598.07	30,141.42	13,312.68	6,887.35	4,077.89
Trusts	49,950.56	15,931.89	29,179.92	16,147.43	8,217.63	44,632.33
General	134.78	27,342.64	3,851.50	2,610.20	23,595.86	2,640.26
	\$ 58,815.72	\$ 67,140.07	\$ 71,741.21	\$ 48,448.20	\$ 48,448.20	\$ 54,214.58

## DEPOSIT OF MONIES

### Finding

Some fundraisers sponsors did not attach the Official Receipts to the yellow copies of the MCRs when submitting these documents to the school secretary for record retention at the end of the school year.

### Recommendation

As required by the *Sponsor's Checklist of Responsibilities* in the *Internal Accounts Manual, Chapter 7*, Teacher/sponsors should “*compare the yellow copy of the MCR against the official receipt to confirm that funds were properly credited to the school's accounting records.*”

### Management's Response

*Since all receipts and yellow MCRs were accounted for I don't consider this to be an audit finding. Teachers currently compare yellow MCRs and receipts. They just don't attach them to each other.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records revealed that:

- The fundraiser sponsor for the Yearbook Sales (Account #5-0450.01) enrolled for the Fiscal Year 2017 eLearning Fundraiser Training on August 16, 2016. However, the sponsor did not complete the training.
- The *Sales Item Inventory Report* for the Home Economics Coupon Books Sales (Account #5-1200.02) did not accurately reflect the quantity of items purchased for resale. According to the accounting records, the school purchased 50 coupon books; however, only 25 books were recorded as purchased on the *Sales Item Inventory Report*. Moreover, 25 books were incorrectly reported as beginning inventory.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically,

- To ensure staff is familiar with and complying with the updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activities.
- To protect the school's best interest and ensure proper fiscal accountability, the *Sales Item Inventory Report* should be accurately completed with all needed information. Accurate *Sales Item Inventory Report* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.

***Management's Response***

*Concur. The school treasurer will review reports with sponsor and investigate to help correct any discrepancies during fundraiser recap. The School treasurer will advise all sponsors to take required trainings before beginning any activity.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

*Lease Agreements* were not always properly executed with all the required signatures. Seven *Agreements* (#s 1013, 1014, 1017, 1019, 1020, 1023, and 1024) with the same lessee did not have the signature of a witness.

**Recommendation**

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. To ensure *Lease Agreements* are legally enforceable, they should be executed with all the required signatures prior to the use of facilities by lessees.

***Management's Response***

*Concur. Leasing coordinator attended leasing training on July 26, 2017, where proper execution of leases was reviewed. All leases are now signed and witnessed.*

**Palm Beach Virtual School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 9482 MacArthur Blvd.  
Palm Beach Gardens, FL 33403

Principal:  
Fiscal Year 2017: Debra Johnson  
During Audit: Debra Johnson

Treasurer:  
Fiscal Year 2017: Susan Holsclaw  
During Audit: Susan Holsclaw

**Cash and Investments**

Checking	\$ 3,415.40
Investments	
	\$ 3,415.40

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	.00	0.00
Classes	0.00	0.00	0.00	0.00	0.00	0.00
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	0.000	0.00	0.00	0.00	0.00	0.00
Trusts	565.85	8,357.00	6,309.00	0.00	0.00	2,613.85
General	924.52	66.00	188.97	66.00	66.00	801.55
	\$ 1,490.37	\$ 8,423.00	\$ 6,497.97	\$ 66.00	\$ 66.00	\$ 3,415.40

Palm Beach Virtual School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Riviera Beach Preparatory & Achievement Academy**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2017**

Address: 7071 Gardens Road  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2017: Elaine Hubbard Williams  
During Audit: Elaine Hubbard Williams

Treasurer:  
Fiscal Year 2017: Princess Pugh  
During Audit: Princess Pugh

**Cash and Investments**

Checking	\$ 47,838.75
Investments	
	\$ 47,838.75

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 253.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ 253.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	0.00	14,508.94	13,714.46	61.14	0.00	855.62
Clubs	374.64	0.00	0.00	0.00	0.00	374.64
Departments	0.00	0.00	0.00	0.00	0.00	0.00
Trusts	44,431.98	56,197.56	54,896.78	128.91	0.00	45,861.67
General	683.82	0.05	0.00	0.00	190.05	493.82
	\$ 45,743.44	\$ 70,706.55	\$ 68,611.24	\$ 190.05	\$ 190.05	\$ 47,838.75

## DEPOSIT OF MONIES

### Finding

Monies collected were not always deposited into the bank in a timely manner. For example, two deposits (#268 for \$1,353.07 and #281 for \$4087.37) were not timely processed by the school treasurer and deposited into the bank until ten to 12 days after collection.

### Recommendation

*DOE Rules* and *District Bulletin #P-14051-S/CFO* require that monies collected be put into the drop-safe daily, and be deposited into the bank within five working days after the collections. Delay in turning in the monies for deposit could subject the sponsor to unwarranted exposure and result in potential irregularities.

### Management's Response

*Concur. Bookkeeper will attend district trainings to ensure proper procedures are followed. Because she serves in a dual role, she will be given an enough time to ensure all deposits are made in a timely manner.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that, the *Fundraising Application/Recap Form* for the Senior Concession Stand (Account #3-2017.01) was not approved by the Principal until after the fundraiser started. Also, unrelated items were purchased from this fundraising account which were not for resale.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and the related District guidelines. Specifically, to ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*. To assist the school in evaluating and monitoring the performance of individual fundraisers, only items related to the fundraiser should be purchased from the decimalized fundraising account.

### Management's Response

*Concur. All staff will be required to complete recommended training related to district guidelines.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of leases found that:

- *Lease Agreements* #1004, #1005 and #1012 were not signed and approved by the principal until 18 to 81 days after the leasehold periods began.
- The rental for *Lease Agreements* #1004 and #1010 were not collected until 15 to 69 days after the use of facilities by the lessee.
- Utility fees from leasing activities for *Lease Agreements* ([FY16] #1033, and #1010) were allocated into the Rental Facilities Account (#6-3800.00) instead of the Utilities Account (#6-5500.00). As a result, the school under-allocated and under-transmitted to the Central Office for a total of \$972.74 in utility fees.

### Recommendation

Leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- To protect the best interest of the School District, all *Lease Agreements* should be executed with all the required signatures prior to the use of facilities by lessees.
- ***School Board Policy 7.18***, requires that leasing charges “*are to be paid by check or credit card (no cash) at least forty-eight (48) hours prior to the use of a facility.*”
- To facilitate timely and accurate payment of utility and other leasing related fees to the Central Office, leasing revenues should be allocated in accordance with the ***Approved Rate Schedule***.

### Management’s Response

*Concur. Lease coordinator will receive additional training, to ensure district policy as it related to the School Board Policy 7.18.*

**Royal Palm School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 6650 Lawrence Road  
Lantana, FL 33462

Principal:  
Fiscal Year 2017: Bradley S.L. Henry  
During Audit: Bradley S.L. Henry

Treasurer:  
Fiscal Year 2017: Kristen Casagni  
During Audit: Kristen Casagni

Afterschool Site Director:  
Fiscal Year 2017: Beverly Meg Davis  
During Audit: Beverly Meg Davis

**Cash and Investments**

Checking	\$ 14,152.29
Investments	
	\$ 14,152.29

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	3,426.00	3,568.00	5,594.25	0.00	0.00	1,399.75
Clubs	500.00	634.00	243.42	334.71	925.29	300.00
Departments	1,579.07	3,579.09	3,873.70	450.22	450.22	1,284.46
Trusts	6,748.21	11,858.66	11,269.59	4.87	53.53	7,288.62
General	6,411.24	4,716.70	7,887.72	2,649.24	2,010.00	3,879.46
	\$ 18,664.52	\$ 24,356.45	\$ 28,868.68	\$ 3,439.04	\$ 3,439.04	\$ 14,152.29

Royal Palm School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**South Intensive Transition School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1509 Barton Road  
Lake Worth, FL 33460

Principal:  
Fiscal Year 2017: Reginald Jeudy  
During Audit: Reginald Jeudy

Treasurer:  
Fiscal Year 2017: Debbie Douglas  
During Audit: Lynn Fricke

**Cash and Investments**

Checking	\$ 8,063.58
Investments	
	\$ 8,063.58

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Classes	0.00	0.00	0.00	0.00	0.00	0.00
Clubs	1,966.74	500.00	388.46	0.00	0.00	2,078.28
Departments	0.00	0.00	0.00	0.00	0.00	0.00
Trusts	6,506.93	1,219.00	6,039.33	0.00	0.00	1,686.60
General	2,619.91	3,087.08	1,408.29	826.00	826.00	4,298.70
	\$ 11,093.58	\$ 4,806.08	\$ 7,836.08	\$ 826.00	\$ 826.00	\$ 8,063.58

South Intensive Transition School  
Management Letter  
Year Ended June 30, 2017

This audit revealed no material instances of noncompliance.

**Turning Points Academy  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2017**

Address: 1950 Benoist Farms Road  
West Palm Beach, FL 33411

Principal:  
Fiscal Year 2017: Anthony Allen  
During Audit: Kevin Gatlin

Treasurer:  
Fiscal Year 2017: Alberta Spann / Jaleesa Hunter  
During Audit: Doris Zabel

**Cash and Investments**

Checking	\$ 6,698.56
Investments	
	\$ 6,698.56

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Classes	0.00	0.00	0.00	0.00	0.00	0.00
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	0.000	0.00	0.00	0.00	0.00	0.00
Trusts	8.00	8,199.73	2,896.85	0.00	0.00	5,310.88
General	1,755.85	3,207.13	3,575.30	1,596.26	1,596.26	1,387.68
	\$ 1,763.85	\$ 11,406.86	\$ 6,472.15	\$ 1,596.26	\$ 1,596.26	\$ 6,698.56

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that the *Sales Item Inventory Report* for the Student Incentives (Account #7-1000.01) did not accurately reflect the quantity of items purchased for resale. 1,888 snack items were reported on the *Sales Item Inventory Report* as purchased. However, itemized receipts indicated a total quantity of 2,047 items were purchased. Consequently, the difference of 159, with a resale value of \$160.75, were not included on the *Sales Item Inventory Report* as items available for sale.

### Recommendation

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. Specifically, to ensure proper fiscal accountability, the *Sales Item Inventory Report* should be accurately completed with all required information. Accurate *Sales Item Inventory Reports* should assist staff in (1) reconciling sales revenues and (2) tracking of items purchased, given away, or remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.

### Management's Response

*[Current Principal] Concur.*  
*[Former Principal] Concur.*

## LEASING OF SCHOOL FACILITIES

### Finding

Lease #1003 (dated 5/4/2017) had a total leasing charges of \$1,507.50 for use of facilities from August 1 through August 4, 2017. During audit fieldwork, as of August 8, 2017, the school had not collected any fees for this lease.

### Recommendation

As required by ***School Board Policy 7.18***, "*fees are to be paid by check or credit card at least forty-eight (48) hours prior to use of a facility.*" The school should collect the \$1,507.50 in unpaid lease charges.

***Management's Response***

*[Current Principal] Concur. I will meet with my leasing coordinator to verify the fees are collected according to District policy.*

*[Former Principal] I was not longer principal of Turning Points Academy for Lease #1003 for use of facilities August 1 through August 4, 2017.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents revealed that the school did not maintain the *Prenumbered Document Inventory Register (PBSD 0160)* for *Drop Safe Log* and Checks. Moreover, the *Document Custodian Assignment Register (PBCD 1663)* was not signed by the principal.

**Recommendation**

To ensure proper fiscal accountability and as required *by Chapter 27 of the Internal Accounts Manual*, the Document Custodian for each prenumbered document, including *Drop-Safe Logs* and Checks, should use the *Prenumbered Document Inventory Register (PBSD 0160)* to confirm the periodic inventory check of the forms.

***Management's Response***

*Concur.*