

# The School District of Palm Beach County, Florida

## Internal Funds Accounts Audit June 30, 2015

**Report #2016-05**



### **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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THE SCHOOL DISTRICT OF  
PALM BEACH COUNTY, FLORIDA

OFFICE OF INSPECTOR GENERAL  
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(561) 434-7335 FAX: (561) 434-8652  
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LUNG CHIU, CIG, CPA  
INSPECTOR GENERAL

SCHOOL BOARD  
CHUCK SHAW, CHAIRMAN  
FRANK A. BARBIERI, JR, ESQ., VICE CHAIRMAN  
MARCIA ANDREWS  
KAREN M. BRILL  
DEBRA L. ROBINSON, M.D.  
ERICA WHITFIELD

ROBERT M. AVOSSA, Ed.D., SUPERINTENDENT

April 29, 2016

Members of the School Board  
Robert M. Avossa, 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, 2015, 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-1.087(2)*. 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, 2015, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2016, on our consideration of The School District of Palm Beach County, Florida's internal control over financial reporting 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, 2015

FY 2015 ALL SCHOOLS	Beginning Balance	Receipts	Expenditures	Transfers In	Transfers Out	Ending Balance
1 - ATHLETICS	\$1,363,215.13	\$5,205,008.49	\$5,345,058.48	\$1,830,225.23	\$1,757,457.96	\$1,295,932.41
2 - MUSIC	961,080.86	4,061,315.60	4,165,535.12	1,505,394.25	1,397,347.90	964,907.69
3 - CLASSES	931,225.27	8,620,116.02	5,514,752.71	1,027,166.32	1,154,043.67	909,711.23
4 - CLUBS	1,375,281.25	4,611,024.62	4,357,731.15	1,455,818.00	1,559,840.83	1,524,551.89
5 - DEPARTMENTS	3,359,697.27	6,973,724.55	6,762,363.15	2,195,650.46	2,167,495.04	3,599,214.09
6 - TRUSTS	7,107,140.57	48,047,566.18	47,238,239.85	2,141,366.35	2,402,925.77	7,654,907.48
7 - GENERAL ACTIVITIES	1,565,178.29	3,191,187.34	3,288,669.48	1,635,406.88	1,352,066.32	1,751,036.71
<b>TOTALS</b>	<u>\$16,662,818.64</u>	<u>\$77,709,942.80</u>	<u>\$76,672,349.94</u>	<u>\$11,791,027.49</u>	<u>\$11,791,177.49</u>	<u>\$17,700,261.50</u>

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

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## **(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Reporting Entity**

As defined by *Chapter 6A-1.085 Florida State Board of Education Rules*, internal funds are monies collected and expended within a school that are used for financing the normal program of school activities not otherwise financed, for providing necessary and proper services and materials for school activities, and for other purposes consistent with the school program as established and approved by The School District of Palm Beach County, Florida (the "District"). 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 depositors 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 consists of the following 175 schools:

### **Area 1**

Addison Mizner Elementary  
Atlantic High  
Banyan Creek Elementary  
Boca Raton Elementary  
Boca Raton High  
Boca Raton Middle  
Boynton Beach High  
Calusa Elementary  
Carver Middle  
Coral Sunset Elementary  
Crosspointe Elementary  
Del Prado Elementary  
Don Estridge High Tech Middle  
Eagles Landing Middle  
Forest Park Elementary  
Galaxy Elementary  
Hammock Pointe Elementary  
J.C. Mitchell Elementary  
Loggers Run Middle

Morikami Park Elementary  
Odyssey Middle  
Olympic Heights High  
Omni Middle  
Orchard View Elementary  
Pine Grove Elementary  
Plumosa School of the Arts  
Poinciana Elementary  
Rolling Green Elementary  
S.D. Spady Elementary  
Sandpiper Shores Elementary  
South Intensive Transition School  
Spanish River High  
Sunrise Park Elementary  
Verde Elementary  
Village Academy  
Waters Edge Elementary  
West Boca Raton High  
Whispering Pines Elementary

## Area 2

Barton Elementary  
Christa McAuliffe Middle  
Citrus Cove Elementary  
Clifford O. Taylor/Kirklane Elementary  
Congress Middle  
Coral Reef Elementary  
Crystal Lakes Elementary  
Diamond View Elementary  
Discovery Key Elementary  
Forest Hill Elementary  
Freedom Shores Elementary  
Greenacres Elementary  
Hagen Road Elementary  
Heritage Elementary  
Hidden Oaks Elementary  
Highland Elementary  
Indian Pines Elementary  
John I. Leonard High

L.C. Swain Middle  
Lake Worth High  
Lake Worth Middle  
Lantana Elementary  
Lantana Middle  
Liberty Park Elementary  
Manatee Elementary  
North Grade Elementary  
Okeeheelee Middle  
Palm Springs Elementary  
Park Vista High  
Royal Palm School  
Santaluces High  
South Grade Elementary  
Starlight Cove Elementary  
Sunset Palms Elementary  
Tradewinds Middle  
Woodlands Middle

## Area 3

Acreage Pine Elementary  
Belle Glade Elementary  
Binks Forest Elementary  
Crossroads Academy  
Elbridge Gale Elementary  
Emerald Cove Middle  
Equestrian Trails Elementary  
Frontier Elementary  
Glade View Elementary  
Glades Central High  
Golden Grove Elementary  
Gove Elementary  
K.E. Cunningham/Canal Point Elementary  
Lake Shore Middle  
New Horizon Elementary

Osceola Creek Middle  
Pahokee Elementary  
Pahokee Middle/Senior High  
Palm Beach Central High  
Panther Run Elementary  
Pierce Hammock Elementary  
Pioneer Park Elementary  
Polo Park Middle  
Rosenwald Elementary  
Seminole Ridge High  
Wellington Elementary  
Wellington High  
Wellington Landings Middle  
Western Pines Middle

## Area 4

Allamanda Elementary  
Bak Middle School of the Arts  
Beacon Cove Intermediate

Bear Lakes Middle  
Dr. Mary McLeod Bethune Elementary  
Dwight D. Eisenhower Elementary

Egret Lake Elementary  
Grove Park Elementary  
Howell L. Watkins Middle  
Independence Middle  
Jerry Thomas Elementary  
John F. Kennedy Middle  
Jupiter Elementary  
Jupiter Farms Elementary  
Jupiter High  
Jupiter Middle  
Lake Park Elementary  
Lighthouse Elementary  
Limestone Creek Elementary  
Lincoln Elementary  
Marsh Pointe Elementary  
Northboro Elementary

Northmore Elementary  
Palm Beach Gardens Elementary  
Palm Beach Gardens High  
Palm Beach Lakes High  
Riviera Beach Preparatory & Achievement  
Academy  
Seminole Trails Elementary  
Suncoast High  
The Conservatory @ North Palm Beach  
Elementary  
Timber Trace Elementary  
Washington Elementary  
Watson B. Duncan Middle  
West Riviera Elementary  
Westward Elementary  
William T. Dwyer High

### **Area 5**

Alexander W. Dreyfoos, Jr. School of the  
Arts  
Belvedere Elementary  
Benoist Farms Elementary  
Berkshire Elementary  
Cholee Lake Elementary  
Conniston Middle  
Crestwood Middle  
Cypress Trails Elementary  
Everglades Elementary  
Forest Hill High  
Gold Coast School  
Grassy Waters Elementary  
H.L. Johnson Elementary  
Hope-Centennial Elementary  
Indian Ridge School  
U.B. Kinsey/Palmview Elementary  
West Gate Elementary

Jeaga Middle School  
Loxahatchee Groves Elementary  
Meadow Park Elementary  
Melaleuca Elementary  
Palm Beach Public Elementary  
Palm Springs Middle  
Palmetto Elementary  
Pine Jog Elementary  
Pleasant City Elementary  
Roosevelt Elementary  
Roosevelt Middle  
Royal Palm Beach Elementary  
Royal Palm Beach High  
South Olive Elementary  
Turning Points Academy  
Wynnebrook Elementary

### **Other Schools**

Adult Education Center  
Delray Full Service Center

Palm Beach Virtual School





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ERICA WHITFIELD

ROBERT M. AVOSSA, Ed.D., SUPERINTENDENT

April 29, 2016

**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  
Robert M. Avossa, 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, 2015, and have issued our report thereon dated April 29, 2016. 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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PALM BEACH COUNTY, FLORIDA

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INSPECTOR GENERAL

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ERICA WHITFIELD

ROBERT M. AVOSSA, Ed.D., SUPERINTENDENT

April 29, 2016

## MANAGEMENT LETTER

Members of the School Board  
Robert M. Avossa, 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, 2015, and have issued our report thereon dated April 29, 2016.

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, 2015, 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 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 would like to present a number of findings and recommendations for consideration by District management, and management responses. 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.

Collectively, there were ten findings for the 2015 Internal Funds Audit of 175 schools. These findings were categorized into four areas: Disbursements, Money Collections, Leasing of School Facilities, and Staff Performing Incompatible Duties. Findings for each school were brought to the immediate attention of the Principal after the fieldwork. Individual management response was obtained from the Principal and was included in each school audit.

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 175 SCHOOLS**

### **I. Disbursements**

1. Disbursements Not Properly Documented or Approved
2. Vendors Allowed on Campus without *Consultant Contract*

### **II. Money Collections**

3. Inadequate Fundraising Documentation
4. Cash Collection and Deposit Procedures
5. Monies Not Deposited Timely
6. Monies Collected With Inadequate Documentation

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

7. *Lease Agreement* Not Properly Signed
8. Late Payments
9. Inadequate Proof of Insurance

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

10. Staff Performing Incompatible Duties

## **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.

## **PRIOR YEAR NONCOMPLIANCES NO LONGER EXIST**

The audit scope for individual schools was adjusted accordingly based on the circumstances. Priority was given to those schools with (1) change in principal or treasurer, and (2) critical and repeated noncompliances. The Internal Funds Audits involved follow up on prior year's findings and testing of compliance and adequacy of internal controls.

Noncompliances that were no longer a Districtwide issue in recent audits were removed from the Five Year Summary of Significant Noncompliances Chart on page 25. These areas may be tested on a random basis in future audits:

- Purchases from school employees
- Restricted access to the Drop-safe
- Untimely bank reconciliations
- Bank signature cards not timely updated
- Adjustments to financial records not properly approved or documented
- Leasing of School Facilities
  - Missing prequalifications
  - Undocumented fee waivers
- Fee-Recovery Programs (After School, Community School, and Safe School Programs)
  - Program deficits
  - Fees not timely transmitted to the District
  - Improperly documented fee waivers
  - Payroll record keeping
  - Student registrations and attendance record keeping

## SCHOOLS WITH NO SIGNIFICANT NONCOMPLIANCES

We would like to recognize the 17 schools in which no significant noncompliances were identified during the Fiscal Year 2015 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 17 schools.

Acreage Pines Elementary\*\*  
Congress Middle\*\*  
Discovery Key Elementary  
Freedom Shores Elementary\*\*  
Heritage Elementary  
Hope-Centennial Elementary\*\*  
Independence Middle\*\*  
Lake Park Elementary\*\*  
Lantana Middle\*\*

Lighthouse Elementary  
Limestone Creek Elementary  
Loggers' Run Middle\*\*  
Panther Run Elementary  
Pioneer Park Elementary  
Sandpiper Shores Elementary\*\*  
South Intensive Transition School\*\*  
Waters Edge Elementary\*\*

Schools marked with \*\* also had no significant noncompliances during Fiscal Year 2014 Audits. We have notified the Area 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 2015, all 175 schools in the School District disbursed a total of \$76.7 million in payments for purchases of goods, services, and other expenditures through the Internal Funds. These expenditures included 68,938 transactions in District's Purchasing Cards (P-Cards) totaling \$12.2 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 regulations. 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 2015 Audit found that 116 schools (up from 103) did not have major noncompliance with the *Internal Accounts Manual* and related District guidelines for check disbursements. However, the audit also revealed that at 59 (34%) of the schools, some of their disbursements lacked the necessary documentation for the disbursements. We also noted some transactions made with P-Cards at 15 schools lacked the appropriate documentation.

Regarding disbursements,

- 21 schools (12%) issued checks or paid by P-Card with *no* supporting documentation. All disbursements should be supported by a vendor invoice, paid receipt, or some other form of documentation from an independent source. Moreover, the issuance of school check should be supported by a *Check Requisition* signed by the sponsor and approved by the principal.
- 17 schools (10%) made payments based on insufficient documentation, such as vendors' account statements or packing lists that did not have the details of the purchases.
- 31 schools (18%) paid consultants without a properly executed written agreement (PBSD 1420) or with written agreements that lacked critical information such as hourly rates, maximum contract amounts, consultants' signatures, etc.

Regarding the *planning* and *authorization* of disbursements,

- 40 schools (23%) did not issue *Purchase Orders* for some disbursements exceeding \$1,000 as required by the ***Internal Accounts Manual, Chapter 8 (Cash Disbursements and Checks)***. Large purchases should be preapproved by the principals and confirm the availability of funds for payment.
- 15 schools (9%) issued payments based on purchase agreements and contracts signed by staff members instead of the principal.

(Please note that some schools had more than one of the above findings.)

Disbursement procedures should be administered in accordance with ***Internal Accounts Manual, Purchasing Manual***, and related District guidelines. Specifically,

- All check disbursements should be adequately documented with *Check Requisitions* approved by the school principal and 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 as authorized by ***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.*”
- We recognize that acquiring adequate supporting documentation when conducting P-Card purchases online can be challenging, especially for those schools with limited support staff; but it is a prudent business practice to ensure that all transactions are thoroughly documented with regards to descriptions, quantities, prices, proof of receipt, and business purpose. More importantly, purchase of certain items and commodities by individual schools is prohibited by the School District. Without proper descriptions of the items purchased, there is no assurance that the purchase is appropriate.

***Management's Response:***

*Management Concurs. The number of schools cited for various audit findings in the Cash Disbursements area decreased by 13 schools (18%) to 59 schools in FY15, compared with 72 schools in FY14. Management believes the decrease in audit findings correlates to the FY15 on-line training for teacher/sponsors. Treasurers receive live face-to-face monthly training sessions offered by Accounting Services. In addition, there is on-line Internal Accounts training for school based staff. Training and experience on the part of the treasurer contribute to the success of the school's audit.*

**2. Vendors Performed Services on Campus without Consultant Agreement**

In 18 schools, some vendors were permitted to perform services at the schools without a written *Consultant Agreement*. Section 8 of the District's standardized *Consultant Agreement* (PBSD 1420) specifies the requirements for completing background checks/fingerprinting of vendors in accordance with the *Jessica Lunsford Act (Florida Statutes §1012.465)*. The lack of a written *Consultant Agreement* could result in school's failure in enforcing this provision.

To protect the safety and welfare of students, prior to performing services on school campus, the vendors must (1) have a properly executed *Consultant Agreement*, and (2) have been cleared of the required background and clearance checks as required by *Florida Statutes §1012.465 (Jessica Lunsford Act)*.

***Management's Response:***

*Management concurs. All consultant engagements require contracts. The Purchasing Department reinforces the proper procedures for consultant engagements at the monthly face-to-face treasurer training hosted by Accounting Services. In addition, the topic of consultants is also addressed in the FY15 on-line Cash Disbursement training for Teacher/Sponsors.*

**II. MONEY COLLECTIONS**

During 2015, all 175 schools in the School District collected a total of \$77.7 million in Internal Fund revenues, mostly from (1) fundraising, (2) special trusts, and (3) program fees. Four findings were noted in the area of money collections.

**3. Inadequate Fundraising Documentation**

Fundraising activities are governed by *School Board Policy 2.16 – Fund-Raising Activities Relating to Schools*. Noncompliances in fundraising were identified at 138 or 79% of the schools (up from 96, or 55%, schools in Fiscal Year 2014) in five categories: 1) sponsors failed to complete the mandatory annual online training, 2) insufficient/lack of documentation, 3) financial inaccuracy, and 4) lack of authorization.



<u>Noncompliance</u>	<u>Number of Schools</u>
1. Sponsors failed to complete online training	114
2. Insufficient/Lack of Documentation	
• <i>Sales Item Inventory Report</i> missing or not used	43
• <i>Sales Item Inventory Report</i> incomplete/completed with inaccurate information	22
• Record of “give-aways” or damaged items not maintained/documentated	16
• <i>Ticket Sellers Report</i> not used/missing	3
3. Financial Inaccuracy	
• Revenue shortage, according to available sales and purchasing records	32
• Revenue recorded in the club’s/activity’s primary account instead of dedicated decimalized account	6
4. Lack of Authorization	
• <i>Sales Item Inventory Report</i> not reviewed and/or signed by principal	32
• <i>Fundraising Application/Recap</i> form missing (no evidence of principal’s authorization)	16
• Fundraising activity started before Principal’s authorization	9

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 activities.

While we recognize staff has taken proactive steps to strengthen controls and improve compliance, it is important to have accurate information on the *Fundraiser Application/Recap Forms*, *Sales Item Inventory Reports*, and *Ticket Sellers Reports*. Management revised the *Sales Item Inventory Report* in Fiscal Year 2014 to require the principal or assistant principal to sign the *Sales Item Inventory Report*, attesting to the unsold items.

To ensure proper fiscal accountability, (1) *Sales Item Inventory Report* and *Ticket Sellers Report* should be completed with accurate information for each fundraiser; (2) the above fundraiser *Reports* should also be maintained to account for the revenue for sales items such as Yearbook, that might not be primarily intended for fundraising; and (3) items purchased with school funds and provided free-of-charge to students, staff members or the community should follow similar requirements as specified in District’s ***Bulletin #P-12690-CAO/COO/P*** for gift cards, that “*schools must maintain documentation of all recipients of gift cards.*”

Complete and accurate sales information on the *Sales Item Inventory Reports* and *Ticket Sellers Reports* is critical to ensure all revenues are accounted for. The OIG will coordinate with (1) Accounting Department to ensure staff is properly trained for the use of these forms, and (2)

Human Resources to ensure that personnel actions will be taken accordingly 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. A new, non-compliance item was added in FY15 for sponsors that failed to complete online training. Of the 138 schools noted as having non-compliance in fundraising, 46 were cited for failing to complete the on-line training. However, there were no findings or other issues related to fundraising for these 46 schools. While the District requires on-line training, if all other processes and procedures were followed these 46 schools should be excluded from the stated total of 138, or reported separately. The remaining 92 schools with fundraising findings represent a 4% improvement over last year's count of 96 with similar findings. Of the 92 schools with documentation findings, 68 did not complete the on-line training which may have contributed to the inadequate documentation findings. Management will work with schools to reinforce training of the treasurers, teacher/sponsors, and principals to increase the awareness of the proper fundraising documentation.*

**4. Cash Collection and Deposit Procedures**

To help strengthen the controls and ensure the integrity of revenue collections, the District has developed and implemented certain procedures for cash handling. These procedures require the use of *Monies Collected Reports* (MCRs) and *Drop-safe Logs*. District management enhanced these procedures by revising the *Drop-safe Log* to include a second review by an impartial third party. Further improvements were made by redesigning the *Log* as a prenumbered form that is now stocked in the Warehouse. In addition, to further enhance the integrity of cash collection process, District management now requires the schools to centrally collect and store the staff's yellow copies of the *Monies Collected Reports* for future reference.

We recognize management's efforts to improve controls in money collection. However, during the 2015 Audit, we noted instances of noncompliance with MCR related procedures and maintenance of *Drop-safe Logs*.

*Monies Collected Reports.* Activity account sponsors did not always retain the yellow copies of the *Monies Collected Reports* (MCR) in 21 (12%) of the schools. Sponsors should retain the yellow copies of the MCRs before placing the collections into the drop-safe for deposit.

Keeping a copy of the MCR will assist the sponsors in (1) ensuring that the dollar amount printed on the *Official Receipt* provided by the treasurer agrees with the monies collected and submitted for deposit, (2) tracking the account balance periodically, and (3) providing documentation for revenue collections if record-keeping errors should occur.

*Drop-safe Logs.* Staff did not always record information for the deposits on the *Drop-safe Log* in 43 (25%) of the schools. In some instances, staff did not record the deposit information or entered incomplete information on the *Drop-safe Log*, such as missing

dollar amount, and treasurer not signing the *Log* after removing the monies from the safe for processing, etc. Also, in some instances, the independent staff verifier did not complete Section 3 of the *Drop-safe Log* indicating that funds were properly recorded in the accounting system. Some pages of the *Drop-safe Log* were missing at nine schools.

*Retention of Yellow Copies at Year-end.* At year-end, some sponsors at 12 schools did not turn in the yellow copies of the MCRs and the computerized receipts to the school secretary for record filing. Additionally, at 17 schools, staff received instructions to turn in the yellow copies of the MCRs directly to the treasurer, which contradicted the District instructions to submit the documents to the school secretary at year-end.

*Prenumbered Documents Not Adequately Controlled.* District's operating procedures require schools to assign document custodians for all prenumbered documents including *Drop-safe Logs*, *School Checks*, and *Classroom Receipts*. However, 31 schools did not assign custodians for some prenumbered documents. In addition, 46 schools did not inventory prenumbered documents in accordance with District guidelines.

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 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 computerized receipts 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***.

District management should (1) develop and implement procedures to ensure that controls in use of *Monies Collected Reports* and *Drop-safe Logs* are enforced. To further enhance the record keeping and streamline the bookkeeping process, the District should explore the feasibility of computerizing the *Monies Collected Reports*, with direct interface with the Internal Funds accounting system.

***Management's Response:***

*Management concurs with several of the points and training is available and mandatory for all teacher/sponsors collecting funds on behalf of the school. Teacher/sponsors should retain the yellow copy of the Monies Collected Reports (MCR), and at the end of the year the MCR should be turned into the school secretary. All funds dropped in the safe should be recorded on the Drop-Safe Log, and the Log should be completed in accordance with the training and procedures indicated by the Internal Accounts Manual. The treasurer is not required to sign the Log, but the third party verifier should be completing the 2nd and 3rd sections of the Log. Regarding the control of pre-numbered documents, the treasurers are trained annually and Chapter 27 of the Internal Accounts Manual documents this requirement. Starting with school year 2016-2017, document custodians will be paid a supplement pursuant to the AESOP contract. There will be face-to-face training early in the school year regarding duties and how to properly account for various pre-numbered*

*documents. On-going and mid-year training will be available either face-to-face or on-line through eLearning Management (ELM) for new document custodians.*

## **5. Monies Not Deposited Timely**

In 26 (15%) of the schools, monies collected by staff were not always turned in timely to the bookkeeper for deposit, with delays ranging from one to 45 working days, and an average of six working days. At five additional schools, treasurers did not timely deposit collected monies into the bank, with delays ranging from six to 22 working days. Delays in turning in the monies for deposit could result in potential irregularity and increase the risk exposure for staff. **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) be 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 decreased by 15 schools to 26 schools (37%) in FY15, compared with 41 schools in FY14. The decline in audit findings may be attributed to the FY15 online training for teacher/sponsors.*

## **6. Monies Collected Not Adequately Documented**

The review of sample monies collection records revealed that some collections at 21 (12%) of the schools did not always have enough detailed information, such as sources and purposes of the collections, on the *Monies Collected Reports (MCRs)*.

To ensure proper fiscal accountability, sufficient relevant information for monies collection should be documented on MCRs, including the date, purpose, composition of the collections (i.e. check numbers or cash), and appropriate account numbers. The treasurer should sign and enter the required information onto the MCRs after the collections have been verified and recorded into the general ledger. Changes on the MCRs should be acknowledged by the sponsors to ensure proper accountability.

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

*Management concurs. The Monies Collection Reports (MCR) should be completed in accordance with the teacher/sponsors on-line training. MCRs are also covered annually during one of the monthly treasurer meetings. Also see response #4 regarding Cash Collection and Deposit Procedures.*

### 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, certain leasing guidelines were developed by the District and implemented by the schools.

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

#### 7. *Lease Agreement Not Properly Signed*

*Lease Agreements* were not always executed with all the required dated signatures in a timely manner. Incomplete or missing information was noted on some leases in 43 (25%) of the schools. Beginning in Fiscal Year 2014, management modified the leasing approval process by allowing for an electronic signature of the principal. However, the manual signature of lessee on *Lease Agreement* must still be obtained prior to the use of facility. To ensure *Lease Agreements* are legally enforceable, they should be properly executed with all the required signatures prior to the lessees' use of facilities.

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

*Management concurs. As stated an improvement to the approval process for leases has been developed and activated as of October 2013 providing for an electronic signature of the principal on all leases. However, the signature of the lessee must still be obtained prior to the use of the facility and remains a major topic in all training sessions. Management will continue to reinforce during trainings that leasing coordinators must obtain proper signatures prior to use of space.*

#### 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, due to certain technicalities in receiving lease payments from some long-term leases, some lease arrangements at 26 of the schools did not comply with this requirement. Moreover, as of June 30, 2015, a total of \$19,265 in leasing fees had not been collected from the lessees for the use facilities at nine schools during Fiscal Year 2015. All rental charges should be collected 48 hours prior to lessees' use of the school facilities in accordance with ***School Board Policy 7.18*** and related District guidelines.

***Management’s Response:***

*Management concurs. In FY15, approximately 94% of the schools sent a leasing coordinator to the mandatory training. One-on-one training is also provided that targets the schools that have asked for or are in need of additional “hands-on” training/support and is on-going.*

**9. Inadequate Proof of Insurance**

We noted seven (4%) of the schools did not receive proof of adequate liability insurance coverage from some of their lessees. While the Tririga System requires insurance certificates be scanned and attached prior to the approval of the lease, staff must continue to verify that the certificate is current and meets the required amount of liability coverage, and specifically includes the School Board as an additional insured party. To protect the School District from potential unwarranted liabilities, all lessees should provide proof of adequate and proper insurance or purchase the required insurance coverage through the District’s insurance pool prior to the use of school facilities.

***Management’s Response:***

*Management concurs. There were a number of cases where the Certificate of Insurance may have expired prior to or during the term of the lease, especially for tenants that lease facilities year-after-year from the school. At training, the importance of protecting the school Board is stressed by requiring a current Certificate of Insurance prior to the start of all leases. Leasing coordinators are shown how to use the expiration reminder in the system to notify them prior to the date of expiration, which would afford enough time to notify the tenant to contact their insurance carrier and provide an updated certificate. The leasing coordinators sometimes neglect to print out the Certificate of Insurance and attach it to the signed lease that will be reviewed by the auditors, this creates a false impression that no insurance was provided for the event.*

**IV. SEGREGATION OF DUTIES**

**10. Staff Performing Incompatible Duties**

Proper segregation of duties is a key internal control for fiscal accountability to prevent and detect potential irregularities. Our review found that staff was performing incompatible duties in 32 schools. Examples included:

- School treasurer was collecting fees, in addition to maintaining the Internal Funds accounting records. School treasurers should not collect and receipt monies.
- 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 paperwork.

- 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.
- Both the new and used *Drop-safe Logs* were kept by the school treasurer, instead of the designated custodian.

Principals rely on school treasurers to advise other staff on the internal controls process to provide assurance that collections and disbursements are properly handled and documented. However, it is ultimately the principals' responsibility to oversee and reinforce 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.

We recognize that implementing segregation-of-duties control is sometimes impractical in light of staffing limitations at some schools. The District should explore options to ensure staff is properly trained and understands the purpose of 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. Management will continue to reinforce segregation of duties training for school treasurers and principals.*

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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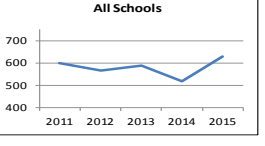
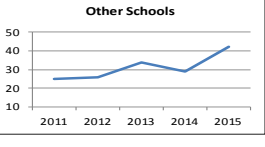
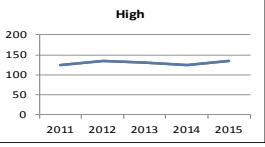
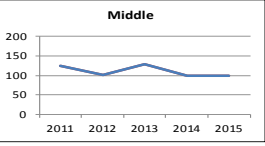
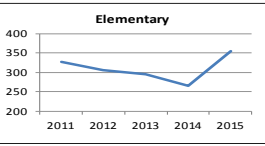
### ALL SCHOOLS

## FIVE YEAR SUMMARY OF SIGNIFICANT NONCOMPLIANCES FY 2011 – 2015 INTERNAL ACCOUNTS

All Schools	Disbursements						Receipts						Leases			After School Program			Comm School/ Safe School	Other						Total Number of Non-compliances
	P-Cair Related Findings	Inadequate Support for Disbursement	Disbursement Not Properly Approved	Wages/Salaries Paid From Internal Funds	Disbursement Funded by Incorrect Account	Drop Safe Log Not Used Completely	Monies Not Deposited Timely	Copy of MCR Not Maintained by Sponsor	Monies Collected Not Properly Documented	Fundraises Not Adequately Documented	Receipts Recorded in Wrong Account	Inadequate Proof of Insurance	Lease Agreement Not Adequately Maintained	Leasing Fee Collections Incorrectly Distributed	Fees Collected After Use	Registration / Fees Not Collected	Accounting Records Incomplete/Incorrect	Registration Form Not Properly Maintained	Fees Not Timely Transmitted To District	Registration Form Not Properly Maintained	Monies and School Checks Not Adequately Safeguarded	Staff Performing Incompatible Duties	Field Trips Not Approved by Principal	Out of County Trips Not Approved by Area Superintendent	No Document Custodian Assigned for Prenumbered Documents	

Elementary Schools																																			
2011 - 109 Schools	26	45	10	1	11	17	34	12	12	42	0	6	20	11	29	2	4	3									1	13	4	2	0	0	327		
2012 - 109 Schools	11	40	17	0	5	13	20	8	8	50	1	24	27	11	24	2	5	4									0	11	2	2	3	1	307		
2013 - 109 Schools	8	39	6	0	5	6	16	15	3	51	0	28	24	6	23	14	5	3									1	10	7	7	6	5	295		
2014 - 108 Schools	12	40	11	0	5	11	16	13	4	50	1	3	15	10	7	20	5	1									0	2	13	6	8	6	266		
2015 - 108 Schools	13	35	11	0	10	32	14	8	18	84	1	3	17	6	10	10	9	3									0	19	5	5	18	24	355		
Middle Schools																																			
2011 - 33 Schools	7	9	4	0	1	6	13	5	0	23	1	5	11	3	16												2	3	0	11	0	1	0	1	125
2012 - 33 Schools	5	10	4	0	0	3	9	3	3	20	0	11	6	0	11												0	8	0	2	4	0	0	0	101
2013 - 33 Schools	3	11	4	0	4	3	9	5	1	24	0	12	12	3	7												3	8	2	3	3	4	1	4	128
2014 - 33 Schools	5	11	3	0	3	3	7	6	2	24	2	1	9	2	7												1	3	0	0	5	2	2	1	99
2015 - 33 Schools	3	6	0	1	1	6	8	5	2	0	0	8	6	5													0	0	0	6	1	2	3	6	99
High Schools																																			
2011 - 23 Schools	9	14	4	3	2	7	11	4	6	14	1	3	19	1	8												2	0	0	4	0	0	0	0	124
2012 - 23 Schools	11	18	2	0	0	5	13	3	5	17	0	9	8	5	9												4	3	0	5	0	3	1	2	134
2013 - 23 Schools	6	13	2	0	1	2	11	3	3	16	0	14	13	3	9												10	2	2	1	2	4	2	2	130
2014 - 23 Schools	10	15	8	0	1	3	15	10	5	18	0	2	11	1	11												11	0	0	2	2	0	0	0	125
2015 - 23 Schools	4	15	3	0	0	11	8	5	4	22	0	3	12	2	7												9	0	1	5	3	2	6	12	134
Other Schools																																			
2011 - 10 Schools	0	2	0	0	0	5	3	1	1	3	0	1	4	0	4												0	0	0	0	0	0	0	0	25
2012 - 10 Schools	3	3	2	0	1	0	3	2	0	5	0	3	2	0	2												0	0	0	0	0	0	0	0	26
2013 - 10 Schools	2	1	0	3	1	2	2	0	5	0	3	5	1	3													2	1	0	0	0	0	0	0	34
2014 - 11 Schools	2	6	0	0	2	0	3	2	1	4	0	1	3	0	2												1	0	0	0	1	1	0	0	29
2015 - 11 Schools	1	2	1	0	1	3	1	2	5	5	0	1	5	0	3												1	0	0	2	1	1	4	3	42
Total (avg / school)																																			
2011 - 175 Schools (3.46 / school)	42	70	18	4	14	35	61	22	19	82	2	15	54	15	57	2	4	3	4	3	1	28	4	3	0	1									601
2012 - 175 Schools (3.25 / school)	30	71	25	0	6	21	45	16	16	92	1	47	43	16	46	2	5	4	4	11	0	18	6	5	4	3									568
2013 - 175 Schools (3.35 / school)	19	65	13	0	13	12	38	25	7	96	0	57	54	13	42	14	5	3	15	11	5	14	12	15	9	11									587
2014 - 175 Schools (2.97 / school)	29	72	22	0	11	17	41	31	12	96	3	7	38	13	27	20	5	1	13	3	0	4	21	9	10	7									519
2015 - 175 Schools (x.xx / school)	21	58	15	1	12	52	31	20	32	138	1	7	42	14	25	10	9	3	10	0	1	32	10	10	31	45									630

Legend																																			
● No Longer an Issue (6)																																			
● Improved: (4)	●		●		●																														
● Need Improvement (10)							●		●	●																									
● Need Serious Attention: (7)	●					●				●			●															●							



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# **Elementary Schools**

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Elementary Schools  
**All Schools**  
 Summary of Audit Findings  
 FY 2015 Internal Funds Audits

Elementary Schools	School Age Child Care (SACC)													Disbursements						Receipts					Leases					Others							Number of Findings							
	Fiscal Management		Student Records					Payroll						4	2	1	3	5	6	7	7a	8	12	9	10	31	28	27	30	29	29a	39	40	41	42	43		11	44	45	46	47		
	14	14a	15	19	18	16	17	20	22	25	21	23	24																														26	13
	Fees Not Timely Transmitted To District	Fees / Registration Not Properly Collected	Accounting Records Incomplete/incorrect	Registration Form Not Properly Maintained	Attendance and Parent Sign-out Records Missing / Not Properly Maintained	Student Released Without Parent Sign-out	Student Released To Unauthorized Person	Student FTE Reports Not Properly Maintained	Fee Waiver Not Properly Documented	Missing Timecard	Time Input Manually into Time Clock	Timecard Not Signed By Employee	Timecard Not Signed-off By Supervisor	Payroll Did Not Match With Employee Timecard	Employee Incurred Work Hours While On Leave/Holiday	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	Fee Waivers Not Documented / Undercharged Rental	Leasing Fee Collections Incorrectly Distributed	Monies and School Checks Not Adequately Safeguarded	Staff Performing Incompatible Duties	Bank Reconciliation Not Completed Timely	Bank Signature Card Not Updated	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 Superintendant	No Document Custodian Assigned for Pre-numbered Documents	Periodic Inventory Not Performed for Pre-numbered Documents
Area 1 - 24 Schools	0	1	2	1	0	0	0	0	0	0	0	0	0	0	0	0	9	1	4	0	2	0	5	2	0	1	0	0	4	0	3	0	2	0	7	0	0	0	18	2	1	6	7	78
Area 2 - 23 Schools	0	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	8	4	1	0	3	0	4	1	0	1	3	0	3	2	0	0	0	2	0	0	0	17	0	0	3	7	63	
Area 3 - 17 Schools	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	1	2	0	1	0	8	3	1	0	4	0	1	0	1	0	1	0	3	0	0	0	13	1	2	2	2	53
Area 4 - 23 Schools	0	4	3	2	0	0	0	0	0	0	0	0	0	0	0	0	7	4	2	0	3	0	7	4	0	4	9	0	7	1	4	0	3	0	4	0	0	0	16	2	1	5	7	99
Area 5 - 22 Schools	0	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	5	3	2	0	1	0	8	4	0	2	2	0	2	0	2	0	0	0	3	0	0	0	20	0	1	2	1	62
<b>Total - 109 Schools</b>	<b>0</b>	<b>10</b>	<b>9</b>	<b>3</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>0</b>	<b>0</b>	<b>0</b>	<b>35</b>	<b>13</b>	<b>11</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>32</b>	<b>14</b>	<b>1</b>	<b>8</b>	<b>18</b>	<b>0</b>	<b>17</b>	<b>3</b>	<b>10</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>84</b>	<b>5</b>	<b>5</b>	<b>18</b>	<b>24</b>	<b>355</b>













**Acreage Pines Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 14200 Orange Boulevard  
Loxahatchee, FL 33470

Principal:  
Fiscal Year 2015: Amy Dujon  
During Audit: Amy Dujon

Treasurer:  
Fiscal Year 2015: Barbara Schumacher  
During Audit: Barbara Schumacher

Afterschool Site Director:  
Fiscal Year 2015: Karla Powell  
During Audit: Karla Powell

**Cash and Investments**

Checking	\$ 39,301.47
Investments	
	\$ 39,301.47

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	460.58	0.00	175.00	88.12	0.00	373.70
Classes	1,326.81	25,867.50	26,731.92	4,839.03	3,510.15	1,791.27
Clubs	335.86	385.27	302.66	0.00	163.68	254.79
Departments	1,335.43	9,695.46	10,057.11	566.39	54.76	1,485.41
Trusts	27,242.69	265,965.84	275,469.15	6,975.47	6,733.93	17,980.92
General	13,239.34	38,831.57	32,649.04	23,582.36	25,588.85	17,415.38
	\$ 43,940.71	\$ 340,745.64	\$ 345,384.88	\$ 36,051.37	\$ 36,051.37	\$ 39,301.47

Acreage Pines Elementary School  
Management Letter  
Year Ended June 30, 2015

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, 2015**

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

Principal:  
Fiscal Year 2015: Kelly Burke  
During Audit: Kelly Burke

Treasurer:  
Fiscal Year 2015: Robin Stewart  
During Audit: Robin Stewart

Afterschool Site Director:  
Fiscal Year 2015: Steve Robert  
During Audit: Steve Robert

**Cash and Investments**

Checking	\$ 100,649.62
Investments	
	\$ 100,649.62

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	5,579.83	1,135.75	1,928.02	1,677.75	1,135.75	5,329.56
Classes	2,747.90	48,017.87	44,902.66	1,080.76	6,351.80	592.07
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	27,035.84	27,214.48	35,366.14	18,677.77	18,677.77	18,884.18
Trusts	61,465.51	990,309.54	978,363.67	15,797.96	20,078.21	69,131.13
General	5,005.22	5,917.77	13,219.60	9,614.72	605.43	6,712.68
	\$ 101,834.30	\$1,072,595.41	\$1,073,780.09	\$ 46,848.96	\$ 46,848.96	\$ 100,649.62

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation found that:

- The sponsor for the Science Board Fundraiser did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015.
- As indicated by the sponsor on the *Sales Item Inventory Report* for the 5<sup>th</sup> Grade T-Shirt Sales (Account #3-3500.02), 41 (15%) of the 278 T-Shirts purchased for resale were provided to students and staff free-of-charge. These give-away items had a total resale value of \$410. However, no documentation was maintained for the purposes and the recipients of these give-away items.

### 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.
- To ensure proper fiscal accountability, items purchased with school funds and provided free-of-charge to students, staff members, or the community should follow similar requirements as specified in *Bulletin #P-12690-CAO/COO/P* for gift cards, that “schools must maintain documentation of all recipients of gift cards.” Records for give-away items should include the purposes and the names of recipients.

### Management’s Response

*Concur. The fundraiser sponsor was out on maternity leave and forgot to complete it on her return. In the future, we will make every effort to have the sponsor complete the required training within the timeframe allotted. The teacher sponsor had a list of names for the shirts that were given away. However, several were given to the aftercare staff, and those names were not recorded on a list. In the future, she will keep a detailed list of the names of shirts given away to all staff members.*

**Allamanda Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 10300 Allamanda Drive  
Palm Beach Gardens, FL 33410

Principal:  
Fiscal Year 2015: Marilu Garcia  
During Audit: Marilu Garcia

Treasurer:  
Fiscal Year 2015: Millie Graff  
During Audit: Millie Graff

Afterschool Site Director:  
Fiscal Year 2015: Frances Grenon  
During Audit: Frances Grenon

**Cash and Investments**

Checking	\$ 42,453.57
Investments	
	\$ 42,453.57

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	606.67	115.00	203.96	0.00	0.00	517.71
Classes	4,765.64	8,142.23	6,597.60	1,333.71	2,636.34	5,007.64
Clubs	123.62	987.00	97.81	21.27	755.00	279.08
Departments	2,835.42	11,477.30	11,135.98	6,158.41	6,158.41	3,176.74
Trusts	34,345.14	386,700.17	390,526.78	2,943.83	2,418.45	31,043.91
General	1,316.54	5,299.38	5,698.41	2,352.23	841.25	2,428.49
	\$ 43,993.03	\$ 412,721.08	\$ 414,260.54	\$ 12,809.45	\$ 12,809.45	\$ 42,453.57

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) ASD T-Shirts, (2) Smencils, and (3) Yearbooks.

### **Recommendation**

To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

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

*Concur. I concur that the training was not completed in the computer. Many did the training and were not given credit for it. Also, these fundraisers had no audit issues. In the future we will diligently check on training completion, including final submission.*

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of sample disbursements and P-Card documentation revealed that Disbursement #10887 (for \$616) was for payment to a consultant for four scientific workshops held on March 24, 2015. However, the engagement of this consultant did not have *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) 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. PBSD Form #1420 will be executed prior to the event.*



**Banyan Creek Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 4243 Sabal Lake Drive  
Delray Beach, FL 33445

Principal:  
Fiscal Year 2015: William J. Fay, Jr.  
During Audit: William J. Fay, Jr.

Treasurer:  
Fiscal Year 2015: Janie Ochacher  
During Audit: Janie Ochacher

Afterschool Site Director:  
Fiscal Year 2015: Gale Allen  
During Audit: Gale Allen

**Cash and Investments**

Checking	\$ 76,354.27
Investments	
	\$ 76,354.27

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	30.00	0.00	0.00	0.00	0.00	30.00
Classes	8,535.56	42,645.47	45,117.86	4,994.52	4,468.96	6,588.73
Clubs	18,932.34	17,046.36	19,183.35	937.17	937.17	16,795.35
Departments	1,200.71	2,673.11	3,245.43	225.00	0.00	853.39
Trusts	44,732.76	556,151.84	549,360.35	13,481.66	14,232.82	50,773.09
General	2,348.40	3,292.52	4,327.81	0.60	0.00	1,313.71
	\$ 75,779.77	\$ 621,809.30	\$ 621,234.80	\$ 19,638.95	\$ 19,638.95	\$ 76,354.27

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser documentation revealed that:

- The fundraiser sponsor for the Drama Club Performance (Account #4-1650.01) did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015.
- The *Sales Item Inventory Report* for the Safety Patrol Candy Sales (Account # 6-4000.01) was not approved by the Principal.
- Disbursements #11306 (for \$1,450) was for purchase of T-shirts for a fundraiser. The purchase was made on August 25, 2014; however, the related *Fundraising Application/Recap Form (PBSD 1053)* was not approved by the Principal until September 9, 2014.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and 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 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*.
- Fundraiser sponsor should complete the *Sales Item Inventory Report* with accurate information for each fundraising activity. To account for items given-away free-of-charge or missing, the *Report* should be approved by the Principal.

### Management's Response

*Concur. Review proper procedures at January Faculty Meeting (1/20/16). Bookkeeper to meet with violators individually.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

Banyan Creek Elementary School  
Management Letter  
Year Ended June 30, 2015

- Disbursement #11483 (for \$400) was for paying a consultant for performing an Assembly Show for the Afterschool Program. However, the related *School District Consultant Agreement (PBSD 1420)* was neither signed by the consultant nor approved by the Principal.
- Disbursement #11470 (for \$5,277.36) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Disbursement #11687 (for \$7,462) was for purchase of the yearbooks. The disbursement was supported by a contract that was signed by the sponsor in lieu of the Principal.

### **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) 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)*.
- *Purchase Order* approved by the Principal is required for purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase. All purchases should be pre-approved by the Principal.
- Contractual agreements should be approved by the Principal as required by *District Administrative Directive D-6.03*, which states "*the Principal of the school is the only person to whom authority has been granted to make any purchase that in any way obligate the school for payment.*"

### **Management's Response**

*Concur. Met with After Care Supervisor 1/5/2016. Review importance of principal's signature @ 1/20/2016 faculty meeting.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

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

- Four *Lease Agreements* (#s 1002, 1023, 1032 and 1034) were neither signed by the lessees nor approved by the Principal in a timely manner. Delays ranged from two to 30 days after the leasehold periods began.

- Leasing charges for three (#1002, #1023, and #1034) leases were not always collected prior to the use of facilities. Delays ranged from six to 32 days.

**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 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. Met with Leasing Supervisor on 1/19/2016 to discuss and ensure it is avoided in the future.*

**AFTERSCHOOL PROGRAM**

**Finding**

As of October 31, 2015, the Summer Camp program had a total of \$2,647.17 in accounts receivables that were past due for over two months.

**Recommendation**

Summer Camp Program is a self-sufficient programs supported by user fees. To ensure fiscal accountability, program fees should be collected in advance as required by the **Afterschool Programs Operational Manual**. The school should collect the unpaid fees from the parents.

**Management’s Response**

*Concur. Met with After care supervisor on 1/5/2016 in regards to past due accounts.*

**Additional Comments**

*Met with bookkeeper on 1/5/2016 and gave copy of report; she received since she was here when issues occurred. Met with Assistant Principal to discuss current procedures in place and what needs to be adjusted moving forward; reviewed issues at 1/20/ 2016 faculty meeting.*

**Barton Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1700 Barton Road  
Lake Worth, FL 33460

Principal:  
Fiscal Year 2015: Denise Sanon  
During Audit: Denise Sanon

Treasurer:  
Fiscal Year 2015: Diane Witherspoon  
During Audit: Diane Witherspoon

**Cash and Investments**

Checking	\$ 21,020.39
Investments	
	\$ 21,020.39

	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	5,601.20	3,518.00	3,625.78	1,994.00	1,994.00	5,493.42
Clubs	119.63	6,510.90	3,892.69	2,834.70	2,697.25	2,875.29
Departments	2,497.32	4,132.99	4,351.33	121.26	137.24	2,263.00
Trusts	29,159.75	65,905.99	86,504.86	10,261.00	10,398.45	8,423.43
General	204.48	16,582.90	14,838.11	1,790.94	1,774.96	1,965.25
	\$ 37,582.38	\$ 96,650.78	\$ 113,212.77	\$ 17,001.90	\$ 17,001.90	\$ 21,020.39

## DEPOSIT OF MONIES

### Finding

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

- *Section 3* of all but one page of the *Drop-safe Logs* was not completed and signed by an independent staff verifier during Fiscal Year 2015.
- Collections were not always deposited in a timely manner. For example, \$552 of the \$852 collected through MCR #594-5 was retained by the sponsor for one to two working days before the monies were put into the drop-safe for deposit. Moreover, this MCR was accompanied by 67 *Classroom Receipts* issued to students for Yearbook Sales. However, \$36 collected from *Classroom Receipt* #336074 was not listed on the MCR. Consequently, \$36 in collection was unaccounted for.
- MCRs were not always completed with all the required information. Missing information included the check numbers and the remitter's signature.

### 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 compliance with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, 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 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 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 potential irregularities.
- To ensure proper fiscal accountability, the school treasurer should verify the accuracy of money turned in by sponsors for deposit prior to entering records into the General Ledger. Discrepancies between the amount of monies turned in and the amount on related collection records should be investigated and resolved accordingly.
- 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. We will continue to provide teachers and staff the professional development needed to ensure monies collected and drop-safe log are maintained as per the District guidelines.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser documentation revealed that:

- The Yearbook Sales (Account #7-0100.05) did not have the required *Sales Item Inventory Report*. The school's accounting records indicated that a total of 300 Yearbooks were purchased for resale, which should have generated a total estimated revenue of \$3,600. However, the school received a total of \$3,051.98 in sales revenue, which included \$2,991.98 deposited into the Internal Funds and \$60 in payments received by the vendor for online sales. As a result, \$548.02 (\$3600 - \$3,051.98, or 15%) in estimated revenue was unaccounted for.
- The *Sales Item Inventory Report* for the Safety Patrol Club Snack Sales (Account #4-4300.01) 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,

- *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. 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.
- *Sales Item Inventory Report* should be approved by the Principal in order to account for items given-away free-of-charge or missing.

***Management's Response***

*Concur. We will continue to provide teachers and staff the professional development to ensure that fundraising procedures and the sales Item Inventory Report is completed as per the District Guidelines.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

The review of sample disbursements and P-Card documentation found that two disbursements (#2976 for \$1,296; and #3116 for \$1,600) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.

### **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. We will continue to provide professional development to our bookkeeper to ensure that all procedures in regards to purchase orders are followed as per the District guidelines.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

*Prenumbered Document Inventory Registers (PBSD 0160) was not maintained for the Drop-safe Logs.*

### **Recommendation**

As indicated on the *Document Custodian Assignment Register (PBSD 1663)*, the District's procedures require that the *Drop-safe Log* be inventory-checked monthly through the completion of the *Prenumbered Document Inventory Register (PBSD 0160)*.

### **Management's Response**

*Concur. We will continue to provide professional development on the procedures on maintaining the drop-safe logs as per the District guidelines.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

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

- During the year, the school had nine leasing arrangements entered into the Tririga System. However, none of them had a hard copy of the *Lease Agreements* that was executed with all the required signatures. Moreover, four of the leases (#1002, #1004, #1005 and #1007) were not approved by the Principal through Tririga System until one to 115 days after the leasehold periods began.
- The rentals for three leases (#1002, #1004 and #1007) were not collected in a timely manner. Delays ranged from one to 73 days after the use of facilities 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 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.
- **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 will continue to provide professional development on the leasing procedures in the event of a leasing agreement as per the District guidelines.*

**Beacon Cove Intermediate School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 150 School House Road  
 Jupiter, FL 33458

Principal:  
 Fiscal Year 2015: Leslie Bolte  
 During Audit: Leslie Bolte

Treasurer:  
 Fiscal Year 2015: Catherine Steveson  
 During Audit: Catherine Steveson

Afterschool Site Director:  
 Fiscal Year 2015: Jane Winters  
 During Audit: Jane Winters

Cash and Investments

Checking	\$ 98,179.49
Investments	
	\$ 98,179.49

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	10,928.03	50,108.90	47,487.07	24,639.70	24,524.90	13,664.66
Classes	189.51	67,448.15	62,509.40	1,798.58	6,926.84	0.00
Clubs	2,379.49	13,885.18	7,290.87	7,211.46	8,417.57	7,767.69
Departments	18,724.52	34,233.65	37,240.65	15,767.19	10,213.03	21,271.68
Trusts	50,753.62	651,588.31	654,119.43	5,158.06	10,568.29	42,812.27
General	9,785.49	48,189.95	51,387.89	17,619.03	11,543.39	12,663.19
	\$ 92,760.66	\$ 865,454.14	\$ 860,035.31	\$ 72,194.02	\$ 72,194.02	\$ 98,179.49

## DEPOSIT OF MONIES

### Finding

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

- Deposit #607 included a total of \$19,804.86 sent to the bank for deposit. The bank subsequently posted a \$110 debit adjustment transaction to the school's checking. However, there was no additional information from the bank for the adjustment.
- The sponsor did not indicate the check numbers for two collections, totaling \$171 that were recorded on MCR #624-5.

### 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,

- The school should ensure the accuracy of money amount sent to the bank for deposit. Adjustments to the school's checking account by the bank should be supported with deposit correction confirmation from the bank explaining why the corrections were necessary.
- The payment's check numbers should be noted on the "CHECK #" column of the MCR if payments were made by checks

### Management's Response

*Concur. We have in place a cross check procedure to help verify that all checks are accurately recorded with proper amounts listed. The treasurer did contact accounting services when the bank adjusted was noted and was told to follow up with treasury and request documentation. Even with additional requests to treasury, additional information concerning the adjustment was never provided by the bank.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

A September 29, 2014, P-Card transaction for a \$325.91 purchase at an electronic store did not have any supporting documentation for the purchase.

### Recommendation

Beacon Cove Intermediate School  
Management Letter  
Year Ended June 30, 2015

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 have added an additional step (person) to re-check P-card purchase documentation*

**Belle Glade Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

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

Principal:  
Fiscal Year 2015: Robera Walker-Thompson  
During Audit: Robera Walker-Thompson

Treasurer:  
Fiscal Year 2015: Jazzmyn Shirley  
During Audit: Jazzmyn Shirley

Cash and Investments

Checking	\$ 21,173.76
Investments	
	\$ 21,173.76

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	227.32	18,185.95	15,213.44	2,711.06	5,910.89	0.00
Clubs	157.62	1,624.50	769.10	5,387.25	1,277.00	5,123.27
Departments	1,120.29	5,978.61	5,939.28	1,788.23	1,310.88	1,636.97
Trusts	8,487.33	88,467.09	78,804.35	17,921.48	23,280.96	12,790.59
General	5.83	1,319.60	3,674.21	4,221.71	250.00	1,622.93
	\$ 9,998.39	\$ 115,575.75	\$ 104,400.38	\$ 32,029.73	\$ 32,029.73	\$ 21,173.76

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and money collection process found that monies were not always deposited in a timely manner. For example, a total of \$907.50 collected through 14 sample MCRs (#308-6, #308-7, #308-15, #308-16, #308-17, #308-28, #308-29, #308-30, #308-36, #308-40, #308-41, #308-42, #314-1, and #314-2) was retained by the sponsors for one to nine working days before it was put into the drop-safe for deposit.

### Recommendation

*DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)* and the District's *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 exposure to staff and increased potential irregularities.

### Management's Response

*Reviewed and provided deposit procedures with teachers to minimize finding.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsor for the School Yankee Candle Sale (Account # 6-0300.21) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- The Safety Patrol Candy Sales (Account #6-4000.01) did not have the required *Sales Item Inventory Report*. Based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of \$8,004. However, only \$5,712.55 in sales revenues was deposited into the Internal Funds during the year. As indicated by the sponsor on the *Fundraising Application/Recap Form*, "4 cases were never paid for by parents". The four cases of unpaid candies had an estimated resale value of \$276. As a result, \$2,015.45 (\$8,004.00 - \$5,712.55 - \$276.00) 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 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. 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, or missing.
- 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.
- The school should maintain records for the names of persons who received free items, and the names of students who did not return the unsold fundraising items at the end of the fundraising activity. Moreover, the school should consider including the students on the obligation list who are responsible for the uncollected funds.

***Management's Response***

*Concur. Thorough sales inventory report will be completed to prevent this from occurring.*

**DOCUMENTATION OF DISBURSEMENTS**

**Finding**

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

- Disbursement #10515 (for \$290) was for payment of renting entertainment equipment/bounce house (with attendant) for the End-of-Year Party. However, this procurement was not documented by the required *School District Consultant Agreement (PBSD 1420)* and proof of liability insurance coverage from the vendor.
- Disbursement #10457 (for \$125) was a payment to a school employee but did not have any supporting documentation for the expense. The General Ledger record indicated that this payment was for "DJ at school holiday party".

**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) 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)*.

Belle Glade Elementary School  
Management Letter  
Year Ended June 30, 2015

- To protect the best interests of the School District, renting of bounce house should be administered in accordance with the District's ***Special Events Guide for Insurance and Loss Prevention***. Specifically, *“the vendor shall provide the school, PTO/PTA/Booster Club, or Facility User with a certificate of insurance with at least \$ 3,000,000 in general liability coverage and at least statutory limits for Workers Compensation Coverage. The certificate shall name the Palm Beach County School Board as additional insured to the General Liability policy.”*
- Expenditures should be adequately documented in order to ensure the purchases are appropriate. Moreover, to ensure compliance with IRS rules and the related tax withholdings, employee compensation should be processed through the District's payroll system.

***Management's Response***

*Concur. Follow internal accounts guidelines for vendors.*



**Belvedere Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 3000 Parker Avenue  
West Palm Beach, FL 33405

Principal:  
Fiscal Year 2015: Diane Mahar  
During Audit: Diane Mahar

Treasurer:  
Fiscal Year 2015: Adis Garcia  
During Audit: Adis Garcia

Afterschool Site Director:  
Fiscal Year 2015: Connie Abston  
During Audit: Connie Abston

Cash and Investments

Checking	\$ 36,646.98
Investments	
	\$ 36,646.98

	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	452.00	437.00	15.00	15.00	15.00
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	616.91	9,876.21	9,853.56	0.00	0.00	639.56
Trusts	18,253.91	128,203.46	116,868.23	455.00	455.65	29,588.49
General	5,389.94	8,116.25	7,102.91	1,320.35	1,319.70	6,403.93
	\$ 24,260.76	\$ 146,647.92	\$ 134,261.70	\$ 1,790.35	\$ 1,790.35	\$ 36,646.98

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The fundraiser sponsors for the Yearbook Sales (Account #7-0100.02) and Scholastic Book Fair (Account #5-1700.02) did not complete the required eLearning Fundraiser Training for Fiscal Year 2015.

### **Recommendation**

To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

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

*Concur. No one will be permitted to begin a fundraiser until the course is completed. The person who submitted the form was not the person who actually collected the money.*

## AFTERSCHOOL PROGRAM

### **Finding**

The review of Afterschool Program accounting records found that the subsidy payments received from Family Central were not recorded in the EZ Care database (the Afterschool Program's accounting system).

### **Recommendation**

Afterschool Program should be administered in accordance with District's guidelines and *Afterschool Programs Operational Manual*. To ensure the accuracy and completeness of the program's accounting records, financial transactions, including Family Central's subsidy reimbursements, should be accurately recorded in the EZ Care database and periodically reconciled with the Internal Funds accounting records.

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

*Concur. After School Director understand that she must follow procedures.*

**Benoist Farms Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

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

Principal:  
Fiscal Year 2015: Ruthann Miller  
During Audit: Ruthann Miller

Treasurer:  
Fiscal Year 2015: Robin McLaughlin  
During Audit: Robin McLaughlin

Afterschool Site Director:  
Fiscal Year 2015: Calvin Lewis  
During Audit: Calvin Lewis

Cash and Investments

Checking	\$ 18,606.64
Investments	
	\$ 18,606.64

	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	588.91	390.00	1.91	1.91	198.91
Classes	189.77	520.00	114.10	0.00	0.00	595.67
Clubs	700.61	1,138.60	1,067.03	40.00	555.00	257.18
Departments	999.47	4,810.77	4,674.50	5.75	5.75	1,135.74
Trusts	13,427.93	152,497.00	150,855.34	4,205.00	3,713.00	15,561.59
General	308.49	6,595.36	6,069.30	462.40	439.40	857.55
	\$ 15,626.27	\$ 166,150.64	\$ 163,170.27	\$ 4,715.06	\$ 4,715.06	\$ 18,606.64

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sampling of *Monies Collected Reports* (MCRs) and at the school found that some of the yellow copies of the MCRs and the related computerized *Official Receipts* could not be located during the audit. The school's *End of the Year Checklist* indicated that staff was not instructed to turn-in the above documentations to the school secretary. As a result, staff might not aware of the requirement to turn-in the yellow copies of the MCRs and the computerized receipts to the school secretary for record retention and future references.

### Recommendation

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. Put back yellow copies for end of year checklist.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of documentation for sample fundraisers found that:

- The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Music Recorders, (2) Yearbook, and (3) Agendas.
- As indicated by the sponsor on the *Sales Item Inventory Report* for the Agendas Sales (Account #7.0100.015), 65 agendas were given-away free-of-charge. These give-away items had a total estimated resale value of \$495. However, no record was maintained as to who received the give-away items. In addition, the *Sales Item Inventory Report* was neither signed by the sponsor nor approved by the Principal.
- The Music Recorders Sales (Account #2-3500.01) 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,

Benoist Farms Elementary School  
Management Letter  
Year Ended June 30, 2015

- 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. 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, or missing.
- To ensure proper fiscal accountability, items purchased with school funds and provided free-of-charge to students, staff members, or the community should follow similar requirements as specified in **Bulletin #P-12690-CAO/COO/P** for gift cards, that “*schools must maintain documentation of all recipients of gift cards.*” Records for give-away items should include the purposes and the names of recipients.

***Management’s Response***

*Concur. Will not approve any fundraiser until teacher attaches certificate of completion.*

**AFTERSCHOOL PROGRAM**

**Finding**

The review of the school’s Afterschool and Summer Camp Programs found that the school used the wrong rates for collecting the Professional Development Days (PDD) fees during August and September 2014. As a result, the school undercharged the parents a total of \$56.51 in PDD activity fees.

**Recommendation**

Afterschool is a self-sufficient program supported by user fees. To ensure fiscal accountability, PDD activities fees should be collected from parents in accordance with District’s guidelines.

***Management’s Response***

*Concur. Aftercare Director corrected the amount. Assistant Director will verify in future.*

**Berkshire Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

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

Principal:  
Fiscal Year 2015: Maria Bishop  
During Audit: Diana Perez

Treasurer:  
Fiscal Year 2015: Brizeida Lora  
During Audit: Brizeida Lora

Afterschool Site Director:  
Fiscal Year 2015: Josephine Costa  
During Audit: Josephine Costa

Cash and Investments

Checking	\$ 37,220.54
Investments	
	\$ 37,220.54

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Classes	3,790.15	4,164.65	6,618.64	438.26	1,703.68	70.74
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	10,760.45	25,808.88	24,061.91	729.37	4,729.37	8,507.42
Trusts	9,490.10	537,218.48	526,409.66	11,910.69	11,785.15	20,424.46
General	4,280.76	16,000.62	17,203.34	11,055.58	5,915.70	8,217.92
	\$ 28,321.46	\$ 583,192.63	\$ 574,293.55	\$ 24,133.90	\$ 24,133.90	\$ 37,220.54

## SEGREGATION OF DUTIES

### **Finding**

During the audit, 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**

To safeguard school assets through 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 providing the collections to the treasurer for deposit.

### **Management's Response**

*Concur. Discussed with office staff. Principal's secretary and school office assistant will open mail addressed to treasurer.*

## DEPOSIT OF MONIES

### **Finding**

The review of the money collection process at the school revealed that at year-end, activity sponsors turned-in the yellow copies of the MCRs and the computerized receipts to the treasurer instead of the school secretary for filing and future reference.

### **Recommendation**

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. Principal's secretary made changes to the end of year checklist.*

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

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

Berkshire Elementary School  
Management Letter  
Year Ended June 30, 2015

- Disbursement #10839 (for \$784) was for payment of charter boat during a field trip. However, the school did not obtain the proof of liability insurance coverage from the boat vendor.
- An April 23, 2015, P-Card purchase (for \$41.61) did not have any supporting documentation for the expenses.
- Disbursement #11137 (for \$2,783.87) was payment for purchase of yearbooks. However, the yearbook contract was 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 the purchases are appropriate, expenditures should be adequately documented and supported by itemized invoices and receipts.
- According to the District’s *Special Events Guide for Insurance Loss Prevention*, the use of watercraft is prohibited, “*except commercial craft 26 feet or more operated by a qualified vendor with evidence of insurance properly licensed.*”
- Contractual agreements should be approved by the Principal as required by *District Administrative Directive D-6.03*, which states “*the Principal of the school is the only person to whom authority has been granted to make any purchase that in any way obligate the school for payment.*”

**Management’s Response**

*Concur. Disbursement #10829 discussed with After School Director, will follow guidelines outlined in Special Events Guide for Insurance Loss Prevention; all P-Card transactions will have documentation; disbursement #11137, principal will sign contract for FY2016.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of sample fundraiser records found that:

- The fundraiser sponsor for the School Store (Account #7-0100.01) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- The *Sales Item Inventory Reports* for the School Store (Account #7-0100.01) was not properly completed. Specifically, Column 8 for “Total Items Sales” was recorded with the values of inventory on-hand, in lieu of the sales revenues generated during the fundraising period.

**Recommendation**



Berkshire Elementary School  
Management Letter  
Year Ended June 30, 2015

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and 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 prior to conducting fundraising activity.
- *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 remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.

***Management's Response***

*Concur. The school store sponsor completed the required eLearning fundraiser training course for FY2015; monitor Sales Item Inventory Reports.*

**Binks Forest Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 15101 Bent Creek Road  
Wellington, FL 33414

Principal:  
Fiscal Year 2015: Michella Levy  
During Audit: Michella Levy

Treasurer:  
Fiscal Year 2015: Lisa Molbogot  
During Audit: Lisa Molbogot

Afterschool Site Director:  
Fiscal Year 2015: Leila Truitt  
During Audit: Leila Truitt

Cash and Investments

Checking	\$ 148,385.55
Investments	
	\$ 148,385.55

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	610.52	250.00	0.00	0.00	0.00	860.52
Classes	10,630.77	99,653.24	95,750.86	20,831.94	16,106.94	19,258.15
Clubs	4,558.18	34,125.39	34,042.72	965.39	1,551.28	4,054.96
Departments	9,358.62	31,721.51	30,065.68	8,761.31	8,661.31	11,114.45
Trusts	54,049.16	762,309.04	729,106.93	27,600.20	31,931.61	82,919.86
General	22,082.85	38,289.11	30,286.65	11,735.24	11,642.94	30,177.61
	\$ 101,290.10	\$ 966,348.29	\$ 919,252.84	\$ 69,894.08	\$ 69,894.08	\$ 148,385.55

## 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. For example, Section 2 for four pages (#12-47063, #12-47064, #12-47089, and #12-47091) of the *Log* was not completed with the dates and signatures of the school treasurer and the independent staff who should confirm that the collections were removed from the safe by the treasurer for processing.

### Recommendation

To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO, Section 2 of the Log* should be filled out by the treasurer and the independent staff who accompanied the treasurer to the safe, and they should jointly confirm that the items listed on the *Log* were removed from the safe by the treasurer for processing.

### Management's Response

*Concur. Proper procedures are always followed. All monies were deposited and all receipt numbers were recorded on the deposit logs. The deposits were correct and all money was accounted for. Better review of deposit logs.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- None of the school staff completed the eLearning Fundraiser Training Course during Fiscal Year 2015.
- The Safety Patrol Cookie Dough Sale (Account #6-4000.02) had a total sales revenue of \$5,456. According to the email from the vendor, the sales revenue was to be split between the vendor and the school at 57% (\$3,109.92) and 43% (\$2,346.08) respectively. However, the vendor incorrectly invoiced the school for a total of \$3,273.60. Consequently, the school overpaid the vendor by \$163.68 (\$3,273.60 - \$3,109.92).

### Recommendation

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

- 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.

Binks Forest Elementary School  
Management Letter  
Year Ended June 30, 2015

- Payment to fundraising vendor should be consistent with the agreed-upon rate. The school should recoup the \$163.68 in overpayment from the vendor.

***Management's Response***

*Concur. Teachers were notified to take the eLearning courses, all teachers who were sponsors on the fundraiser had taken the course in the past and didn't realize it needed to be taken every year. All fundraiser sponsors will submit their certificate of course completion when submitting their fundraiser application.*

*In regards to the Safety Patrol Cookie Dough Fundraiser, the company did not increase the normal profit due to the school to 43%. Once the error was apparent, the company immediately issued a check for the difference of \$163.68.*

**Boca Raton Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

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

Principal:  
 Fiscal Year 2015: Renee Elfe  
 During Audit: Renee Elfe

Treasurer:  
 Fiscal Year 2015: Heather Jones/Tanya Hixson  
 During Audit: Tanya Hixson

Afterschool Site Director:  
 Fiscal Year 2015: Patricia Jackson  
 During Audit: Patricia Jackson

Cash and Investments

Checking	\$ 20,388.41
Investments	
	\$ 20,388.41

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	30.66	2,593.00	3,717.10	1,262.12	142.76	25.92
Classes	84.08	1,904.38	1,888.14	497.50	497.50	100.32
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	2,819.97	5,451.48	4,395.66	1,298.83	1,648.83	3,525.79
Trusts	8,914.17	127,338.43	121,970.88	6,774.01	6,437.01	14,618.72
General	778.04	5,843.94	3,397.96	1,423.96	2,530.32	2,117.66
	\$ 12,626.92	\$ 143,131.23	\$ 135,369.74	\$ 11,256.42	\$ 11,256.42	\$ 20,388.41

## DEPOSIT OF MONIES

### Finding

The review of sample *Monies Collected Reports* (MCRs) and the money collection process found that the school's *End of Year Close-Out Checklist* instructed staff to turn-in the yellow copies of MCRs, without indicating the *Official Receipts*, to the school secretary as part of the year-end close-out procedures. As a result, some sponsors did not attach the *Official Receipts* to the yellow copies of MCRs when submitting these documents to the school secretary for filing and future references.

### Recommendation

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. All teachers have been informed of this policy and will turn in yellow copies of MCRs to school secretary at the end of the school year.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraising records found that:

- The staff member who sponsored three fundraisers (Music Recorders, Music Shirts, and Yearbook sales) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- The Music Recorders Sales (Account #2-3500.01) 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,

- 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. 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, or missing.

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

*Concur. All staff involved in fundraising will complete the eLearning training and the sales.*

## **DOCUMENTATION OF DISBURSEMENTS**

### **Finding**

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

- Disbursement #10603 (for \$150) did not have any supporting documentation for the expenditure. Missing documentation included the *Check Requisition* and invoice.
- Disbursement #10646 (for \$150) did not have the Principal's approved *Check Requisition*. This expenditure was for payment to a consultant. However, the related *School District Consultant Agreement (PBSD 1420)* did not have the details of services provided by the consultant.
- Disbursement #10645 (for \$1,956.50) did not have a Principal's approved *Check Requisition*. In addition, this purchase exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.
- Disbursement #10583 (for \$204) was for payment of admission for the December 5, 2014, field trip. However, this field trip did not have the *Field Trip/Activity Planning Report and Approval Request Form (PBSD 1894)*.

### **Recommendation**

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

- Expenditures should be adequately supported by itemized invoices/receipts. The issuance of school check should be supported by a Principal's approved *Check Requisition*. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- To protect the best interests of the school, *School District Consultant Agreement (PBSD 1420)* should be completed properly with all the needed information, including the scope of services to be provided.
- 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.

- Field trips should be conducted in accordance with **School Board Policy 2.40** and related District guidelines. Specifically, a *Field Trip/Activity Planning Report and Approval Request* must be completed by the sponsor and pre-approved by the Principal for each field trip.

***Management's Response***

*Concur. All procedures will be followed.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

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

- *Lease Agreement* #1010 was neither signed by the lessee nor a witness.
- The school collected a total of \$2,520 in utility fees during the year. The school transmitted \$1,246 of the utility fees to the Central Office in December 2014. However, the remaining \$1,274 in utility fees was not transmitted to the Central Office as required by the District's procedures.

**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 properly executed with all the required signatures prior to the use of facilities by lessees.
- As required by the District's leasing procedures, utility fees should be transmitted accordingly to the Central Office twice per year in December and June.

***Management's Response***

*Concur. All procedures will be followed.*

**AFTERSCHOOL PROGRAM**

**Finding**

The review of school's Afterschool Program found that



Boca Raton Elementary School  
Management Letter  
Year Ended June 30, 2015

- The Verification of Student Registration Section of the *Afterschool Registration Form* for a student was not signed by the parent/guardian.
- Page two of the *Afterschool Registration Form* was missing for another student. Information on the missing page should include the student's health information, and parent/guardian signatures.

**Recommendation**

Afterschool Program should be administered in accordance with District's guidelines and *Afterschool Programs Operational Manual*. Specifically, *Afterschool Programs Registration Form* should be completed with critical and emergency information, and the form should be signed by the parent/guardian.

***Management's Response***

*Concur. All Afterschool registration forms will be signed by parents and all information completed.*

**Calusa Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 2051 Clint Moore Road  
Boca Raton, FL 33496

Principal:  
Fiscal Year 2015: Jamie Wyatt  
During Audit: Jamie Wyatt

Treasurer:  
Fiscal Year 2015: Lynda Kramer  
During Audit: Lynda Kramer

Afterschool Site Director:  
Fiscal Year 2015: Laurie Ostrow  
During Audit: Laurie Ostrow

Cash and Investments

Checking	\$ 58,977.41
Investments	
	\$ 58,977.41

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	674.18	4,362.00	4,032.05	1,490.80	550.80	1,944.13
Classes	4,449.39	43,153.94	47,422.11	13,948.33	9,334.20	4,795.35
Clubs	219.98	4,825.00	1,892.08	2,864.10	3,429.10	2,587.90
Departments	10,873.87	26,327.63	23,928.09	6,566.12	10,326.63	9,512.90
Trusts	16,258.82	715,900.41	696,321.93	11,061.09	16,812.47	30,085.92
General	4,234.48	31,934.83	30,640.86	11,087.47	6,564.71	10,051.21
	\$ 36,710.72	\$ 826,503.81	\$ 804,237.12	\$ 47,017.91	\$ 47,017.91	\$ 58,977.41

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

- The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) School Store, (2) Drama Seussical Jr. T-shirt Sales, and (3) Yearbook Sales.
- The School Store (Account #7-0100.01) and Yearbook Sales (Account #5-0451.00) did not have the required *Fundraising Application/Recap Forms*.
- The School Store (Account #7-0100.01) did not have the required *Sales Item Inventory Report*.
- The *Sales Item Inventory Report* for Drama Seussical Jr. T-shirt Sales (Account #4-1650.03) was not approved by the Principal and was not accurately completed.

### 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 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 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, or missing.

### Management's Response

*Concur. (1) Two of the three employees from last year's audit completed the fundraiser training. They must have made a mistake with submitting it. Last year we did not know that the yearbook was a fundraiser as it was not in the past. At this time all the employees who are doing fundraisers have completed the ELearning training and have given my bookkeeper the certificate. (2) As stated above, we did not know that the yearbook was a fundraiser. Also, the person running the school store went out on leave and we dropped the ball. The school store and yearbook Fundraiser Application/Recap form has been signed by the principal at this time. The Sales Item Inventory will be completed and checked by the bookkeeper. An ongoing checks and balances system has been put in place this year to ensure this happens. (3) The principal will sign the*

Calusa Elementary School  
Management Letter  
Year Ended June 30, 2015

*Sales Item Inventory Report for the school drama presentation shirt sale upon completion. An ongoing checks and balances system has been put in place this year to ensure this happens.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that the school did not maintain *Prenumbered Document Inventory Register (PBSD 0160)* for the *Drop-Safe Log* and *School Checks*.

**Recommendation**

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*, the *Document Custodian Assignment Register* must be completed each year to assign responsibility for prenumbered forms on the school campus. The custodian should be someone who is not involved in the day-to-day use of the specific 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. (1) Last year the person who was the custodian for the drop safe and pre-numbered inventory log went out on leave and the ball was dropped. This year our Assistant Principal and office clerk was assigned as the custodian for the prenumbered documents. Each month the bookkeeper and principal are checking the register to ensure proper documentation being kept.*

**Cholee Lake Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 6680 Dillman Road  
Greenacres, FL 33413

Principal:  
Fiscal Year 2015: Marline Campbell  
During Audit: Marline Campbell

Treasurer:  
Fiscal Year 2015: LaSonya Martin  
During Audit: LaSonya Martin

Afterschool Site Director:  
Fiscal Year 2015: Joycelyn Cardona  
During Audit: Joycelyn Cardona

Cash and Investments

Checking	\$ 23,520.46
Investments	
	\$ 23,520.46

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,240.16	961.50	836.10	390.40	390.40	1,365.56
Classes	2,171.82	38,559.20	34,398.33	13,350.61	13,134.51	6,548.79
Clubs	3,148.78	4,053.35	4,323.05	3,172.90	3,258.17	2,793.81
Departments	2,256.77	9,325.62	8,912.83	2,409.85	2,437.82	2,641.59
Trusts	6,875.16	181,025.88	181,868.36	20,325.96	20,687.92	5,670.72
General	1,779.53	24,292.81	21,831.45	8,504.78	8,245.68	4,499.99
	\$ 17,472.22	\$ 258,218.36	\$ 252,170.12	\$ 48,154.50	\$ 48,154.50	\$ 23,520.46

## DEPOSIT OF MONIES

### Finding

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

- Some sponsors did not always record the deposit information on the *Drop-safe Log* before dropping off the monies into the safe. For example, 17 collections with a total of \$2,552.50 were not recorded on the *Log* by the sponsors. Instead, the school treasurer subsequently recorded the information on different pages of the *Log* (page #s 12-57877, 12-57884, 12-20653, 14-20683, 14-20603, 14-20624, 14-57865, and 14-20732).
- *Section 3* of the *Drop-safe Log* (page #s 12-57884, 14-20652, 14-20690, 14-20602, 12-57853, and 12-57854) for seven collections, totaling \$206, did not have the independent verifier information. According to staff, the collection records were inaccurate and the monies were returned to the sponsors for clarification, but staff forgot to record the needed information on the *Logs*.
- Five entries on the *Drop-safe Log* (page #s 12-57876, 14-20652, 14-20682, 14-20628, and 14-20729) were deleted without the sponsors' initials or explanation for deletion.

### Recommendation

Money collections should be administered in accordance with *Internal Accounts Manual*, and District guidelines. Specifically, to ensure proper fiscal accountability and comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*,

- 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 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 complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- Deletion of records from the *Drop-safe Log* and return of monies to the sponsors for clarification should be signed and acknowledged by the sponsors.

### Management's Response

*Concur. Treasurer provided additional information to sponsors on how to effectively complete Drop Safe Log. The Treasurer and School Secretary are now jointly completing Section 2 of the Drop Safe Log and the Secretary is now completing Section 3 of the Drop Safe Log.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsors for Yearbook Sales (Account #7-0100.03) and the Safety Patrol Shoulder Buddies Sale (Account #64000.12) did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015.
- The *Sales Item Inventory Report* for the Safety Patrol Shoulder Buddies Sale (Account #64000.12) contained inaccurate information. Specifically, the quantities of purchase items for resale did not agree with the school's purchasing records. Based on the school's purchasing records, 880 shoulder buddies were purchased and sold at \$5 each which should generate a total estimated revenue of \$4,400. However, only \$3,000.20 in sales revenue was deposited into the Internal Funds. As a result, \$1,399.80 (\$4,400.00 - \$3,000.20, or 32%) in estimated revenue was unaccounted for.
- Expenditures for the Yearbook Sales (Account # 7-0100.03) and the Safety Patrol Shoulder Buddies Sale (Account # 64000.12) were recorded in the General Activities (Account #7-0100.00) and Safety Patrol-Washington, D.C. (Account #6-4000.00) primary accounts respectively, rather than decimal accounts designated for the fundraisers.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and 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. 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, or missing.
- 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.
- To assist the school in evaluating and monitoring the performance of individual fundraiser, a separate decimalized account should be established for each fundraiser. Fundraiser account should include all the needed and accurate financial information.

Cholee Lake Elementary School  
Management Letter  
Year Ended June 30, 2015

***Management's Response***

*Concur. All sponsors are required to print a copy of their certificate and give it to the treasurer before any fundraiser occurs. Treasurer is now aware that a decimalized account should be set up for each fundraiser.*



**Citrus Cove Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 8400 Lawrence Road  
Boynton Beach, FL 33436

Principal:  
Fiscal Year 2015: Laura Green  
During Audit: Laura Green

Treasurer:  
Fiscal Year 2015: Cheryl Conner  
During Audit: Cheryl Conner

Afterschool Site Director:  
Fiscal Year 2015: Sheila Ross  
During Audit: Sheila Ross

Cash and Investments

Checking	\$ 58,664.68
Investments	
	\$ 58,664.68

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	5,298.25	5,288.25	4,359.33	4,645.38	4,645.38	6,227.17
Classes	709.27	57,799.75	53,583.99	4,588.61	8,586.75	926.89
Clubs	4,672.36	5,675.22	3,963.16	1,712.06	1,712.06	6,384.42
Departments	5,882.08	19,292.14	16,191.96	2,068.81	2,068.81	8,982.26
Trusts	29,615.54	655,753.13	656,091.21	17,994.73	18,336.06	28,936.13
General	19,551.55	32,451.16	49,134.37	6,969.65	2,630.18	7,207.81
	\$ 65,729.05	\$ 776,259.65	\$ 783,324.02	\$ 37,979.24	\$ 37,979.24	\$ 58,664.68

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsors for the Coupon Books and Yearbooks Sales fundraisers did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015.
- A total of \$9,509.59 in sales revenue for the Wonderland Gift Shoppe Fundraiser was deposited into the Internal Funds (Account #7-0100.04). Based on the school's sales records, this fundraiser should have generated a total estimated revenue of \$10,380.30 during the year. Moreover, the school provided a total of \$500 in credit to 20 students for their purchases. As a result, \$370.71 ( $\$10,380.30 - \$9,509.59 - \$500 = \$370.71$  or 4%) 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 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.
- To ensure proper fiscal accountability, complete and accurate sales records should be maintained in order for staff to reconcile the sales revenue deposited into the Internal Funds with the estimated revenue. 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. Training was completed and not posted to staff. Staff is required to provide copy of annual training with financial trainings that are required. All fundraisers are monitored daily to ensure accurate bookkeeping.*

## AFTERSCHOOL PROGRAM

### Finding

As of June 30, 2015, the Afterschool Program had a total of \$7,221.66 in unpaid fees from 36 student accounts. Of the \$7,221.66 in accounts receivable, \$2,424.21 was past due for over three months.

**Recommendation**

Afterschool Program is a self-sufficient program supported by user fees. To ensure fiscal accountability, program fees should be collected in advance as required by the *Afterschool Programs Operational Manual*. Specifically, “fees are payable in advance and are collected monthly on the first three school days of the month.” The school should enforce the collection procedures to ensure that fees are collected in advance as required.

***Management’s Response***

*The aging report summary needed to be updated from subsidy fees changing mid months and parents changing students from fulltime to part time care. The outstanding fee that was showing 7221.66 was corrected. The outstanding balance at the end of June corrected amount was 2342.24 overdue for 3 months.*

**Clifford O. Taylor/Kirklane Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 4200 Purdy Lane  
Palm Springs, FL 33461

Principal:  
Fiscal Year 2015: Agartha Gragg  
During Audit: Agartha Gragg

Treasurer:  
Fiscal Year 2015: Raysa Serpa  
During Audit: Raysa Serpa

Afterschool Site Director:  
Fiscal Year 2015: Cybil Askew  
During Audit: Cybil Askew

Cash and Investments

Checking	\$ 36,090.59
Investments	
	\$ 36,090.59

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	254.04	22.05	137.94	22.05	22.05	138.15
Classes	9,172.31	122,118.89	121,251.43	26,886.16	25,836.42	11,089.51
Clubs	1,805.74	2,083.70	1,424.44	899.40	1,772.88	1,591.52
Departments	2,427.70	19,851.13	19,832.83	9,594.19	8,582.44	3,457.75
Trusts	14,225.40	357,428.64	354,003.14	10,470.85	8,746.34	19,375.41
General	237.64	27,381.85	24,268.72	11,620.72	14,533.24	438.25
	\$ 28,122.83	\$ 528,886.26	\$ 520,918.50	\$ 59,493.37	\$ 59,493.37	\$ 36,090.59

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sampling of *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 off the monies into the safe. For example, information for nine collections totaling \$3,205 included in Deposit #1364 were not listed on the *Drop-safe Log*.

### Recommendation

To ensure proper fiscal accountability and comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, 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 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 complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur. I will meet with the treasurer and drop safe staff to review the procedures outlined in the Internal Accounts Manual and ensure understanding of procedures and compliance. From February – June 2016, I will monitor that these procedures are being followed.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The Clear Backpacks Sale (Account #7-0100.16) did not have the required *Fundraising Application/Recap Form* and *Sales Item Inventory Report*.
- The Candy Sales Fundraiser (Account #3-3500.02) did not have the required *Sales Item Inventory Report*. A total of \$21,928.30 in sales revenue for this fundraiser was deposited into the Internal Funds. However, based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of \$24,000. As a result, \$2,071.70 (\$24,000.00 - \$21,928.30, or 9%) in estimated revenue was unaccounted for.
- The *Sales Item Inventory Report* for the Fourth Grade T-shirts (Account #3-3400.05) was neither signed by the sponsor nor approved by the Principal.
- \$2,076.10 (Disbursement #11293) in T-Shirts purchased for the Uniform Sales Fundraiser (Account #7-0100.05) was inadvertently recorded in the General Activities Account.

### **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*.
- *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. 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. Moreover, the *Sales Item Inventory Report* should be approved by the Principal in order to confirm the legitimacy for any items that were given-away.
- To assist the school in evaluating and monitoring the performance of individual fundraiser, a separate decimalized account should be established for each fundraiser. Fundraiser account should include all the needed and accurate financial information.

### **Management's Response**

*Concur. I will meet with the treasurer to ensure she understands the policies and procedures for fundraising. At the Faculty Meeting on 1/25/2016, I will review the procedures for all fundraising activities. I will review compliance with the financial trainings that are required by the District.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

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

- Disbursement #11299 (for \$6,030) was supported by a vendor's account statement, which indicated only the invoice numbers and dollar amounts without the details for the purchases.
- Disbursement #11496 (for \$247.87) was for purchase of items for Teacher Appreciation Week. However, this expense was incorrectly funded by the General Activities Account (#7-0100.00).
- Four P-Card transactions, totaling \$1,063.51, were tax-exempt purchases during April 2015 included a total payment of \$60.84 in sales tax.
- A total of 19 charity donations, totaling \$1,900, were charged to the school's three P-Card accounts during April 2015, without 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.
- Expenditures should be funded by the appropriate funding sources. Specifically, expenditures for Teacher Appreciation Week should be funded by the Administrative Courtesy or Faculty Fund Accounts.
- The School District is a tax-exempt governmental entity, and should not pay sales tax for eligible purchases.
- Pre-approval from the Purchasing Department is needed for charging donations to the school's P-Cards.

***Management's Response***

*Concur. I will review the Internal Accounts Manual with the treasurer.*

**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*,

- 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.

Clifford O. Taylor/Kirklane Elementary School  
Management Letter  
Year Ended June 30, 2015

***Management's Response***

*Concur. I will review Chapter 27 of the Internal Accounts Manual with the treasurer and the records custodian.*

***Additional Comments***

*I am responding to this audit as the incoming principal at C.O. Taylor/Kirklane. I will correct all of these findings and put safeguards in place to prevent them occurring again.*



**Coral Reef Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 6151 Hagen Ranch Road  
 Lake Worth, FL 33467

Principal:  
 Fiscal Year 2015: Bobbi Moretto  
 During Audit: Bobbi Moretto

Treasurer:  
 Fiscal Year 2015: Donna Laska/Amy Smith  
 During Audit: Amy Smith

Afterschool Site Director:  
 Fiscal Year 2015: Pat Felice  
 During Audit: Pat Felice

Cash and Investments

Checking	\$ 47,168.12
Investments	
	\$ 47,168.12
	\$ 47,168.12

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	403.64	1,098.00	1,096.92	54.28	54.28	404.72
Classes	4,910.50	28,361.60	28,486.18	8,518.58	8,318.58	4,985.92
Clubs	5,692.71	41,577.65	25,059.56	19,139.23	36,829.37	4,520.66
Departments	8,931.05	23,193.49	24,560.11	7,028.07	7,471.07	7,121.43
Trusts	51,360.54	808,732.30	848,764.32	28,036.80	11,674.37	27,690.95
General	2,985.55	7,385.55	9,497.37	2,365.76	795.05	2,444.44
	\$ 74,283.99	\$ 910,348.59	\$ 937,464.46	\$ 65,142.72	\$ 65,142.72	\$ 47,168.12

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser documentation revealed that:

- The sponsors for Kindergarten T-Shirts Sales and Science Board Sales fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- A total of \$768 in sales revenue was deposited into the Kindergarten T-Shirts Sales Account (#3-3000.01). However, based on the school's purchasing records and *Sales Item Inventory Report*, 145 T-Shirts were sold at \$6 each, which should have generated a total estimated revenue of \$870 (145 x \$6). As a result, \$102 (12%) in estimated revenue was unaccounted for. In addition, the *Sales Item Inventory Report* mistakenly listed the purchase cost as the selling price for the T-Shirts for computing the estimated revenues.

### Recommendation

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

- To ensure fundraiser sponsors have 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.
- *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.
- Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

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

*Concur. As the principal, I will now review the PeopleSoft report which shows who is in compliance, prior to approval of fundraisers and/or monies being collected. Staff will not be permitted to collect monies or coordinate fundraisers until all training has been completed.*

*The Sales Item Inventory Report was not completed accurately by the sponsor and shared that the treasurer had shown her how to reconcile the report. It should be noted that the T-Shirt Sale was not a fundraiser. The Sales Item Inventory Report is required for completion, but per the email included, a small markup is allowable for rounding purposes. The sponsor did write \$5 per*

*shirt but did include .29 for tax per shirt, to cover the cost. The majority of additional funds were accounted for at the rate of the \$6 charge per T-shirt even though there were discrepancies inadvertently recorded on the Sales Item Inventory Report.*

## **DOCUMENTATION OF DISBURSEMENTS**

### **Finding**

Two disbursements (#11528 for \$502, and #11529 for \$628) were for refund of field trip fees to students who paid but did not attend the Safety Patrol trip to Washington, D.C. However, both disbursements did not have supporting documentation for the original payments made by the students.

### **Recommendation**

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.

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

*The Safety Patrol Sponsor provided the support documentation for the two disbursements.*

## **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*.

### **Recommendation**

To ensure all *Drop-safe Logs* are properly accounted for and compliance with ***Chapter 27 of the Internal Accounts Manual***, the designated document custodian for the *Logs* should use the *Prenumbered Document Inventory Register (PBSD 0160)* to account for the usage and monthly inventory-check of the *Logs*.

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

*Concur. The Prenumbered Document Inventory Register was not completed accurately by the treasurer. The designated document custodian has been retrained to complete form PBSD 0160 accurately. The check registry for FY15 was reviewed with no discrepancies noted.*

Coral Reef Elementary School  
Management Letter  
Year Ended June 30, 2015

***Additional comments:** Please note the 2015 Interim Audit of Internal Funds: No Material Noncompliance, Dated 1/28/2015.*

**Coral Sunset Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 22400 Hammock Street  
Boca Raton, FL 33428

Principal:  
Fiscal Year 2015: Danielle Garcia  
During Audit: Danielle Garcia

Treasurer:  
Fiscal Year 2015: Tracey Coleman  
During Audit: Tracey Coleman

Afterschool Site Director:  
Fiscal Year 2015: Evelyn Garcia  
During Audit: Evelyn Garcia

Cash and Investments

Checking	\$ 38,698.98
Investments	
	\$ 38,698.98

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.45	65.00	0.00	0.00	0.00	65.45
Classes	1,397.81	21,009.41	19,097.48	1,744.32	3,239.28	1,814.78
Clubs	4,911.96	0.00	832.19	0.00	428.00	3,651.77
Departments	3,579.98	12,277.71	10,592.13	3,656.52	3,626.27	5,295.81
Trusts	21,831.04	346,202.32	349,235.49	8,846.70	8,320.95	19,323.62
General	5,101.00	8,714.73	6,635.14	3,718.68	2,351.72	8,547.55
	\$ 36,822.24	\$ 388,269.17	\$ 386,392.43	\$ 17,966.22	\$ 17,966.22	\$ 38,698.98

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The staff who sponsored the following two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Mother's Day Cakes (Account #6-4400.03), and (2) Dominos Spring Fundraiser (Account #6-4400.04)

### **Recommendation**

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.

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

*We will make certain that all staff working on fundraisers complete the necessary requirements (eLearning Fundraiser Training) before filing and submitting their fundraiser paperwork for approval.*

**Crosspointe Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 3015 South Congree Avenue  
Boynton Beach, FL 33426

Principal:  
Fiscal Year 2015: Annemarie Dilbert  
During Audit: Annemarie Dilbert

Treasurer:  
Fiscal Year 2015: Hollis Memoly  
During Audit: Hollis Memoly

Afterschool Site Director:  
Fiscal Year 2015: Abeer Khalfa Majdalawi  
During Audit: Abeer Khalfa Majdalawi

Cash and Investments

Checking	\$ 50,347.44
Investments	
	\$ 50,347.44

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.43	445.50	343.37	0.00	0.43	102.13
Classes	10,070.73	14,945.84	11,398.05	1,354.23	11,470.76	3,501.99
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	4,128.09	9,914.08	9,881.69	2,768.20	3,288.68	3,640.00
Trusts	29,636.89	233,738.12	221,692.82	12,201.57	17,833.85	36,049.91
General	3,630.78	8,568.98	21,416.07	21,697.32	5,427.60	7,053.41
	\$ 47,466.92	\$ 267,612.52	\$ 264,732.00	\$ 38,021.32	\$ 38,021.32	\$ 50,347.44

## DEPOSIT OF MONIES

### Finding

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

- The *Drop-safe Logs* were not always completed with all the required information. Specific information was missing on *Section 2* of the *Logs* (page #s 12-07181, 12-07184, 12-07185, 12-07187, 12-07189, 12-07193, and 12-07246) including the dates, signatures of the school treasurer, and the independent staff who accompanied the treasurer to remove collections from the safe for processing.
- Monies collected were not always deposited in a timely manner. For example, \$670 collected through MCR # 454-2 was retained by the sponsor for six 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,

- *Section 2 of the Log* should be filled out by the treasurer and the independent staff verifier who accompanied the treasurer to the safe. Both the treasurer and the independent staff should jointly confirm that the collections listed on the *Log* were removed from the safe by the treasurer for processing.
- *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. 12-07181, 12-07184, 12-07185, 12-07187, 12-07189, and 12-07193 - employee is no longer working at Crosspointe. 12-07246 Employee has now been properly trained on proper procedures. Employees now properly trained on depositing monies collected forms in a timely manner.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser documentation revealed that:

- The *Sales Item Inventory Report* for the Safety Patrol Honey Sticks Sales (Account 6-4000.03) was not completed with the accurate information. Specifically, the quantities of items purchased for resale and



Crosspointe Elementary School  
 Management Letter  
Year Ended June 30, 2015

the total revenues did not agree with the accounting records. The school initially purchased 100 cases of honey sticks; and subsequently returned 48 cases to the vendor. The remaining 52 cases (51 sticks per case) had a total of 2,652 (52 x 51 – 2,652) honey sticks for resale at \$1 each. Based on the net purchases and the information on the *Sales Item Inventory Report*, this fundraiser should have generated a total estimated revenue of \$2,189. However, only \$1,497.30 in sales revenue was deposited into the Internal Funds. Consequently, \$691.70 (32%) 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		
Honey Sticks	-	2,652	100	363	2,189	\$1	\$2,189.00
Total Estimated Revenues							\$2,189.00
Total \$ Deposited into Internal Funds							\$1,497.30
<b><i>Estimated Revenues Unaccounted For</i></b>							<b><u>\$691.70</u></b>

(1) Based on the *Sales Item Inventory Report*.  
 (2) Based on the school's purchasing records.

- The *Sales Item Inventory Reports* for the Safety Patrol Honey Sticks Sales (Account 6-4000.03) and Yearbook Sales (Account #7-0100.07) fundraisers were not approved by the Principal.

**Recommendation**

To ensure proper fiscal accountability,

- *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, or missing.
- 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***

*We did have fundraising app – it was misfiled – we gave a copy to the auditor.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

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

- Disbursement #4842 (for \$480) was for payment of renting water slides for the 5<sup>th</sup> Grade Picnic Event. However, this disbursement did not have the required *School District Consultant Agreement* (PBSD

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1420), *Hold Harmless Agreement* (PBSD 2496), and proof of liability insurance coverage from the vendor.

- Three disbursements (#4686 for \$2,400; #4704 for \$2,618.44; and #4907 for \$1,355.20) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Two P-Card transactions, totaling \$168.86, did not have adequate documentation. The December 1<sup>st</sup>, 2014, transaction (for \$147.80) was supported by a Packing Slip which did not indicate the details of the items and dollar amount for the purchase; and the December 11<sup>th</sup>, 2014, transaction for purchase of \$21.06 in food items did not indicate if the purchase was for business or educational usage.
- Disbursement #4856 (for \$3,287.99) was for payment of the 5<sup>th</sup> Grade End-of-Year Field Trip. However, it did not have a *Field Trip/Activity Planning Report and Approval Request Form* (PBSD 1894).
- The Yearbook Printing Contract (Disbursement #4832 for \$2,750) was signed by the activity sponsor, instead of the Principal.
- Supporting documentation was not always defaced (stamped "PAID") after payment. For example, the supporting documents for four sample disbursements (#s 4704, 4727, 4842, and 4907, totaling \$5,318.94) were not defaced after 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 protect the best interests of the school, the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required signatures prior to the consultants performing services at the school. Moreover, renting of water slides for school activities should be administered in accordance with the District's *Special Events Guide for Insurance and Loss Prevention*.
- To ensure proper fiscal accountability, the purposes and justifications should be documented and supported by itemized invoices and receipts for all expenditures.
- 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.
- As required by *School Board Policy 2.40* and related District guidelines, a *Field Trip/Activity Planning Report and Approval Request* must be completed by the sponsor and pre-approved by the Principal for each field trip.

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- Contractual agreements should be signed by the Principal as required by ***District Administrative Directive D-6.03***, which states “*the Principal of the school is the only person to whom authority has been granted to make any purchase that in any way obligate the school for payment.*”
- To avoid potential duplicate payments, supporting documentation should be defaced (stamped “PAID”) after payment was made.

***Management’s Response***

*Concur. #4842 – Employee that arranged this no longer working here. #4686 – Employee no longer working here. #4907 – This was for a luncheon that we paid for there was no purchase order. \$147.80 the packing slip did list the items but the amount was not on there but was paid by a p-card – the original paperwork was misplaced. And \$21.06 was for business – lunch for a budget meeting. #4856 – Employee that arranged is no longer working here. #4382 – principal is now aware of proper authorizations / signatures. Employee did stamp PAID but on the wrong form – we are now aware of where PAID needs to be stamped.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found the following:

- The school treasurer was the designated document custodian for the *Drop-safe Logs* and *School Checks*, although she also used these documents for performing her bookkeeping duties.
- The *School Checks* and *Drop-safe Logs* were not inventoried monthly.

**Recommendation**

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

- As required by ***Chapter 27 of the Internal Accounts Manual***, custodian for prenumbered form should be someone who is not involved in the day-to-day use of the form. Another staff member, other than the treasurer, should be assigned as the document custodian for the *Drop-Safe Logs* and *School Checks*.
- 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. Employees have now been trained on proper procedures.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of records for school facility leasing found that:

- A total of 15 lease arrangements with two lessees were recorded in the Tririga System during the year. However, 12 of the leases did not have a hard copy of the *Lease Agreements*. Although a hard copy of the *Agreements* were maintained for the other three (#1008, #1010, and #1011), two of them (#1008 and #1011) were neither signed by the lessees and a witness.
- The above 12 lease arrangements had a rental charges of \$22,838.60. However, the school's accounting records indicated that a total of \$17,719.30 in leasing charges was deposited into the Internal Fund. The remaining \$5,119.30 (\$22,838.60 - \$17,719.30) in rental charges had not been collected from the lessees as of June 30, 2015.
- \$296.80 in rental charges for Lease #1010 were incorrectly recorded to the Administrative Courtesy Account (#6-0200). As a result, the school did not allocate and transmitted the \$56 utility fees and \$16.80 sales tax 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. 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.
- ***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.*” The school should collected the \$5,119.30 in unpaid rentals from the two lessees.
- Leasing revenues should be allocated and recorded in the respective Internal Funds Accounts in accordance with the District's approved *Rate Schedule*. The required amounts of utility fees, sales tax, and insurance premium should be transmitted to the Central Office accordingly.

### Management's Response

*Concur. Employee has now been trained in the proper lease procedures.*

## AFTERSCHOOL PROGRAM

### Finding

The review of the school's Afterschool Program records found that:

Crosspointe Elementary School  
Management Letter  
Year Ended June 30, 2015

- As of June 30, 2015, the Afterschool Program Special Activities Account (#6-9600) had a year-end balance of \$3,613.52. The account balance exceeded the \$750 year-end maximum balance allowed by *Afterschool Programs Operational Manual*.
- The EZ Care database (the Afterschool Program's accounting system) was not accurately maintained for the Family Central's subsidy reimbursement payments for October 2014 through February 2015. In particular, the \$16,282.88 in Family Central's subsidy reimbursement for February 2015 was mistakenly recorded as \$116,282.88 in EZ Care database. As a result, the Family Central's subsidy reimbursement payment was overstated by \$112,996.10 in the EZ Care database.

**Recommendation**

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

- Charges to the students in the Afterschool Program should approximate the cost of the activities. No excessive profits should be accrued to the accounts. Specifically, the year-end balance for the Special Activities Account should not exceed \$750. The school should monitor the revenues and expenditures of this account accordingly.
- To ensure the integrity of accounting records, financial transactions, including Family Central's subsidy reimbursements, should be accurately recorded in the EZ Care database and periodically reconciled with the Internal Funds accounting records.

**Management's Response**

*Concur. Bookkeeper was not able to transfer funds because she was not here during summer. EZ Care issue was a typo – employee corrected and sent copy immediately to the audit person for correction.*

**Crystal Lakes Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 6050 Gateway Boulevard  
Boynton Beach, FL 33437

Principal:  
Fiscal Year 2015: Diane Curcio-Greaves  
During Audit: Diane Curcio-Greaves

Treasurer:  
Fiscal Year 2015: Penny Richter  
During Audit: Penny Richter

Afterschool Site Director:  
Fiscal Year 2015: Michelle Soto  
During Audit: Michelle Soto

Cash and Investments

Checking	\$ 52,674.34
Investments	
	\$ 52,674.34

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	4,738.61	523.00	1,573.97	37.50	544.33	3,180.81
Classes	5,233.44	24,141.77	22,976.70	2,020.25	2,015.88	6,402.88
Clubs	239.66	1,024.25	1,574.65	798.08	291.25	196.09
Departments	14,365.31	16,279.40	15,173.57	2,767.82	2,772.82	15,466.14
Trusts	30,032.33	446,615.02	453,035.50	10,451.13	11,105.82	22,957.16
General	833.59	4,522.59	1,540.24	692.69	37.37	4,471.26
	\$ 55,442.94	\$ 493,106.03	\$ 495,874.63	\$ 16,767.47	\$ 16,767.47	\$ 52,674.34

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that:

- The sponsors for the following two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Music Recorders, and (2) Chorus T-Shirts.
- The following three fundraisers did not have the required *Fundraising Application/Recap Forms* and *Sales Item Inventory Reports*: (1) Music Recorders, (2) Chorus T-Shirts, and (3) Safety Patrol-Spirit Shirts.

### 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 fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course 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 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, or missing.

### Management's Response

*Concur. Recommendations will be implemented.*

**Cypress Trails Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

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

Principal:  
 Fiscal Year 2015: Shari Bremekamp  
 During Audit: Shari Bremekamp

Treasurer:  
 Fiscal Year 2015: Erica Rolf  
 During Audit: Erica Rolf

Afterschool Site Director:  
 Fiscal Year 2015: Kelly Hindle  
 During Audit: Kelly Hindle

Cash and Investments

Checking	\$ 72,471.26
Investments	
	\$ 72,471.26

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	3,386.91	237.00	1,328.57	92.76	92.76	2,295.34
Classes	0.00	12,087.00	6,992.60	5,868.25	10,962.65	0.00
Clubs	1.60	4,000.00	2,052.08	0.00	0.00	1,949.52
Departments	2,852.73	7,865.64	6,902.65	653.88	653.88	3,815.72
Trusts	58,894.91	279,437.03	287,446.93	11,882.58	11,843.31	50,924.28
General	12,291.60	9,477.37	13,337.70	6,402.53	1,347.40	13,486.40
	\$ 77,427.75	\$ 313,104.04	\$ 318,060.53	\$ 24,900.00	\$ 24,900.00	\$ 72,471.26



**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser records found that the sponsors for Mother's Day Cakes and Chocolate Sales did not complete the eLearning Fundraiser Training for Fiscal Year 2015, although they completed the training in prior year (2014).

**Recommendation**

To ensure staff is aware of the up-to-date fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activity.

***Management's Response***

*Concur.*

**Del Prado Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 7900 Del Prado Circle  
Boca Raton, FL 33433

Principal:  
Fiscal Year 2015: Carol Goode  
During Audit: Rachel Capitano

Treasurer:  
Fiscal Year 2015: Maria Leggio  
During Audit: Maria Leggio

Afterschool Site Director:  
Fiscal Year 2015: Lori Goldfinger  
During Audit: Lori Goldfinger

Cash and Investments

Checking	\$ 45,673.68
Investments	
	\$ 45,673.68

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,422.12	375.00	681.01	230.00	0.00	1,346.11
Classes	24.75	64,724.21	68,271.88	21,633.35	18,110.43	0.00
Clubs	7,157.20	6,544.00	5,471.48	3,264.50	3,264.50	8,229.72
Departments	2,630.74	27,320.39	28,474.93	21,517.91	19,015.50	3,978.61
Trusts	35,139.93	602,439.58	610,332.55	9,519.40	10,014.28	26,752.08
General	3,455.28	29,325.66	21,653.33	6,403.24	12,163.69	5,367.16
	\$ 49,830.02	\$ 730,728.84	\$ 734,885.18	\$ 62,568.40	\$ 62,568.40	\$ 45,673.68

Del Prado Elementary School  
Management Letter  
Year Ended June 30, 2015

This audit revealed no material instances of noncompliance.

**Diamond View Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 5300 Haverhill Road  
Greenacres, FL 33463

Principal:  
Fiscal Year 2015: Carolyn Seal  
During Audit: Carolyn Seal

Treasurer:  
Fiscal Year 2015: Wendy Martin  
During Audit: Wendy Martin

Afterschool Site Director:  
Fiscal Year 2015: Luis Lebron  
During Audit: Luis Lebron

Cash and Investments

Checking	\$ 71,878.94
Investments	
	\$ 71,878.94

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	548.09	471.00	270.23	0.00	0.00	748.86
Classes	316.68	33,028.67	29,387.60	6,323.91	10,224.98	56.68
Clubs	3,725.82	21,080.72	10,979.72	11,264.63	20,213.90	4,877.55
Departments	7,136.87	5,471.20	6,335.52	1,565.41	1,567.75	6,270.21
Trusts	56,739.20	301,843.12	316,238.27	9,089.74	368.97	51,064.82
General	7,125.61	12,387.13	14,783.83	7,432.91	3,301.00	8,860.82
	\$ 75,592.27	\$ 374,281.84	\$ 377,995.17	\$ 35,676.60	\$ 35,676.60	\$ 71,878.94

Diamond View Elementary School  
Management Letter  
Year Ended June 30, 2015

## **DOCUMENTATION FOR FUNDRAISERS**

### **Finding**

The Domino's Pizza Cards (Account #7-0100.09) and Spirit Rings and Sticks (Account #7-0100.11) fundraisers were sponsored by the same staff member. However, this sponsor did not complete the eLearning Fundraiser Training during Fiscal Year 2015. She completed the training in prior year (2014).

### **Recommendation**

To ensure staff is aware of and complying with updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activity.

### **Management's Response**

*Concur. At this time all staff members are up to date and have completed the Fundraiser Training Course.*

**Discovery Key Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 3550 Lyons Road  
 Lake Worth, FL 33467

Principal:  
 Fiscal Year 2015: Catherine Lewis  
 During Audit: Catherine Lewis

Treasurer:  
 Fiscal Year 2015: Stacey Cohen  
 During Audit: Stacey Cohen

Afterschool Site Director:  
 Fiscal Year 2015: Jessica Rosenfeld  
 During Audit: Jessica Rosenfeld

Cash and Investments

Checking	\$ 91,687.85
Investments	
	\$ 91,687.85

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	515.00	0.00	515.00	0.00	0.00	0.00
Classes	6,349.24	36,678.50	39,814.98	4,120.02	4,243.42	3,089.36
Clubs	662.93	1,311.65	2,617.41	2,798.00	831.74	1,323.43
Departments	20,845.35	17,930.30	19,707.88	3,934.34	3,815.39	19,186.72
Trusts	32,835.57	568,939.32	538,221.73	11,178.90	14,069.58	60,662.48
General	7,927.03	10,741.69	12,171.73	1,599.68	670.81	7,425.86
	\$ 69,135.12	\$ 635,601.46	\$ 613,048.73	\$ 23,630.94	\$ 23,630.94	\$ 91,687.85

Discovery Key Elementary School  
Management Letter  
Year Ended June 30, 2015

This audit revealed no material instances of noncompliance.

**Dr. Mary McLeod Bethune Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

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

Principal:  
Fiscal Year 2015: Katrina Granger  
During Audit: Katrina Granger

Treasurer:  
Fiscal Year 2015: LaTasha Smart  
During Audit: LaTasha Smart

Afterschool Site Director:  
Fiscal Year 2015: Corlyss Grant  
During Audit: Corlyss Grant

Cash and Investments

Checking	\$ 27,078.53
Investments	
	\$ 27,078.53

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	3,222.64	16.17	0.00	0.00	0.00	3,238.81
Classes	2,741.45	6,833.00	5,867.97	1,268.95	1,268.95	3,706.48
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	291.43	3,653.96	3,548.93	5.97	5.97	396.46
Trusts	16,341.75	53,805.09	53,702.13	1,464.79	1,464.79	16,444.71
General	4,367.57	3,775.31	4,850.81	1,783.31	1,783.31	3,292.07
	\$ 26,964.84	\$ 68,083.53	\$ 67,969.84	\$ 4,523.02	\$ 4,523.02	\$ 27,078.53



## DEPOSIT OF MONIES

### Finding

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

- *Section 3* of all the *Drop-safe Logs* for Fiscal Year 2015 did not contain the required information. This section should include the receipt number generated for the deposit entry in SchoolCash System, notations for any variance between the sponsor's record on the *Drop-safe Log* and the amount of monies counted, and the signature/initial of the independent staff who verified that the collections had been recorded in the General Ledger.
- Collections were not always deposited in a timely manner. Specifically, \$660 in leasing revenue collected on July 16, 2014, through MCR #478-4 was retained by the sponsor and was not put into the drop-safe for deposit until September 17, 2014.
- The school's *End-of-Year Check List 2014-2015* mistakenly instructed staff to submit the yellow copies of the MCRs and the computerized receipts to the treasurer, instead of the school secretary, for filing and future references. Moreover, only three staff members turned-in the documentation 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,

- To ensure proper fiscal accountability and comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, (1) the *Drop-safe Log* should be properly completed with all the needed information, and (2) "*Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary...*"
- *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. Money collections procedures will be reviewed by appropriate staff. Money collected and receipts will be turned into the confidential secretary at the end of the school year. The end-of-the-year checklist has been revised. Monies collected are put in drop-safe daily and deposited into the bank with 5 working days after collections. The drop safe log will be completed. Staff received a green folder in which to store receipts and yellow money collected forms into for the end of the school year..*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records revealed that:

- The sponsor for the Caps-Gowns (Account# 3-3502.01) fundraiser did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015.
- The Yearbook Sales (Account #7-0100.01) and the Caps and Gowns Sales (Account# 3-3502.01) did not have the required *Sales Item Inventory Reports*.
- The school purchased 200 Yearbooks for resale and had 120 unsold copies remained in inventory during the audit. The unsold copies had an estimated resale value of \$1,800. Due to excessive purchase of Yearbooks for fundraiser, it resulted in a \$988.31 loss.
- The *Fundraising Application/Recap Form* for the Pop Corn Sales (Account # 6-0400.01) was 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 staff is aware of and complying with the updated procedures for fundraising, sponsor should complete the required annual eLearning Fundraiser Training Course prior to conducting fundraising activity.
- To ensure proper fiscal accountability, *Sales Item Inventory Reports* 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 inventory. Significant discrepancy, if any, between the estimated revenue and actual receipt should be investigated and resolved accordingly.
- The school should monitor closely the revenues and expenditures for the Yearbook Fundraiser. The number of Yearbooks ordered should be consistent with the estimated sales.
- 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*

Dr. Mary McLeod Bethune Elementary School  
Management Letter  
Year Ended June 30, 2015

*Concur. Staff will be required to complete eLearning training prior to conducting fundraising activities. Only principal approved fundraising activities will occur. Yearbook prepaid order will be accepted.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Disbursement #4946 (for \$1,375) was for payment of transportation expenses for the May 28, 2015, fieldtrip to Orlando. However, the *Field Trip /Activity Planning Report and Approval Request Form* for this fieldtrip was neither approved by the Principal nor the Area Superintendent.
- Disbursement #4950 (for \$1,131) was for payment of admission fees for the 5<sup>th</sup> Grade field trip to the Rapids Water Park but did not have the required *Field Trip/Activity Planning Report and Approval Request Form*.
- The supporting documentation for payments to five sample disbursements (#4905, #4907, #4920, #4944, and #4946, totaling \$1,712.14) were not defaced (stamped “PAID”) after the payments were made. Defacing the supporting document should help prevent potential duplicated 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) in-county field trips should be pre-approved by the Principal with the required documentation; and (2) out-of-county field trips should be approved by the Principal and Area Superintendent.
- To avoid potential duplicated payments, supporting documentation for payment should be defaced (stamped “PAID”) after payment was made.

### Management’s Response

*Concur. Only principal approved in-county field trips will occur. Only Principal and Area Superintendent approved out-of-county field trips will occur Field trip procedures and example forms were provided to all staff. All supporting documentation for payments will be stamped “PAID”.*

## AFTERSCHOOL PROGRAM

### Finding

Dr. Mary McLeod Bethune Elementary School  
Management Letter  
Year Ended June 30, 2015

The review of the school's Afterschool Program records found that the EZ Care Database (the Afterschool Program's accounting system) was not adequately maintained. For example, the January 2015, through June 2015, (totaling \$24,701.97) were not timely recorded in EZ Care Database until October 7, 2015.

**Recommendation**

Afterschool Program should be administered in accordance with District's guidelines and *Afterschool Programs Operational Manual*. Specifically, to ensure proper fiscal accountability, Afterschool Program financial transactions should be timely and accurately recorded in the EZ Care database and periodically reconciled to the Internal Funds records. Discrepancies in payments, if any, should be investigated and resolved accordingly.

**Management's Response**

*Concur. The Afterschool Program Director and Principal reviewed the Afterschool Program Operational requirements for EZ Care Data base. EZ Care Database will be maintained monthly.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of records for school facility leasing found that Lease #1017 had the following exceptions:

- The *Agreement* was neither approved by the Principal nor signed by the lessee and a witness until two and four days respectively after the leasehold period began.
- \$1,015 in leasing charges was not collected until 82 days after the lessee had begun using the facilities.

**Recommendation**

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

- *Lease Agreements* should be executed with all the required signatures prior to lessees' use of 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. Treasurer and Principal reviewed Lease Agreement procedures. Lessee will submit payment on or before the 1<sup>st</sup> of the month or prior to the use of the facility on a monthly basis.*

## 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*,

- 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. The Assistant Principal will complete PBSD 0160- monthly. The Assistant Principal is the designated document custodian.*

### Additional comments

*A semiannual audit type review is requested.*

**Dwight D. Eisenhower Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

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

Principal:  
Fiscal Year 2015: Jo Anne Rogers  
During Audit: Jo Anne Rogers

Treasurer:  
Fiscal Year 2015: Sarah Weis  
During Audit: Sarah Weis

Afterschool Site Director:  
Fiscal Year 2015: Alicia DeCavalcanti  
During Audit: Alicia DeCavalcanti

Cash and Investments

Checking	\$ 51,689.50
Investments	
	\$ 51,689.50

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,461.93	494.75	448.17	166.39	166.39	1,508.51
Classes	3,238.63	12,174.77	12,193.72	2,297.58	2,297.58	3,219.68
Clubs	896.52	130.05	300.58	101.25	101.25	725.99
Departments	6,514.52	7,263.07	7,492.22	4,941.66	4,949.86	6,277.17
Trusts	37,583.53	237,937.68	243,590.91	8,481.03	8,771.06	31,640.27
General	8,954.66	23,152.08	24,087.09	12,212.00	11,913.77	8,317.88
	\$ 58,649.79	\$ 281,152.40	\$ 288,112.69	\$ 28,199.91	\$ 28,199.91	\$ 51,689.50

## DEPOSIT OF MONIES

### **Finding**

The review of money collection process and sample *Monies Collected Reports* (MCRs) at the school found that some MCRs were not always completed with the all the required information. For example, the check numbers for three checks (for \$40, \$140, and \$175) collected through three MCRs (#583-1, #583-8, and #583-16 respectively) were not indicated on the related MCRs.

### **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.

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

*Concur. Two (2) staff members involved no longer work at Eisenhower. However, met with school treasurer and other appropriate staff emphasizing the absolute necessity to double check form submitted are complete with all required information k, accurate. Staff members agree. Documents reviewed.*

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The sponsor for the Safety Patrol Candy Sales fundraiser did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.

### **Recommendation**

To ensure staff has knowledge of and will be complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activity.

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

*Concur. With the exception of the Patrol Sponsor, all sponsors completed the required training. Met with Patrol Sponsor to reemphasize roles and responsibilities pertaining to fundraiser Course. Sponsor completed required training for this fiscal year. Principal, School Treasurer will monitor for compliance.*

**Egret Lake Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

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

Principal:  
Fiscal Year 2015: Christine Rick  
During Audit: Christine Rick

Treasurer:  
Fiscal Year 2015: Cherrie Ullom  
During Audit: Cherrie Ullom

Afterschool Site Director:  
Fiscal Year 2015: Lori Seal  
During Audit: Lori Seal

Cash and Investments

Checking	\$ 64,349.87
Investments	
	\$ 64,349.87

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	25.90	364.00	384.63	20.63	20.63	5.27
Classes	0.00	9,476.58	8,616.93	1,205.27	1,093.42	971.50
Clubs	95.13	2,233.00	1,672.98	526.38	526.38	655.15
Departments	20,726.07	13,352.86	12,566.41	3,796.70	3,796.70	21,512.52
Trusts	35,624.41	176,368.86	174,196.61	( 1,107.61)	( 912.00)	37,601.05
General	2,544.85	6,466.11	5,490.34	1,814.68	1,730.92	3,604.38
	\$ 59,016.36	\$ 208,261.41	\$ 202,927.90	\$ 6,256.05	\$ 6,256.05	\$ 64,349.87



## DEPOSIT OF MONIES

### Finding

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

- Some sponsors did not always record the deposit information on the *Drop-safe Log* before dropping off the monies into the safe. For example, during August 2014, three activity sponsors did not record the information for 11 collections (totaling \$1,200) on the *Log*. The information was subsequently entered into the *Log* (pages #11-57705 and #11-57708) by the school treasurer when the school secretary accompanied the treasurer to remove the collections from the safe for processing.
- *Section 3* of the *Drop-safe Log* was not always signed by an independent staff who was supposed to verify if the collections had been recorded into the General Ledger by the treasurer. Specifically, 28 of the 39 entries on seven pages (#11-57701, #12-36111, #12-36127, #11-57702, #11-57704, #12-36115, and #11-57723) of the *Log* did not have the signature/initial of an independent verifier.

### Recommendation

To ensure proper fiscal accountability and compliance with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, 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 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 complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The sponsors for the following two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Sale of Mother's Day Cakes, and (2) School T-Shirts sale.

### Recommendation

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.

### Management's Response

Egret Lake Elementary School  
Management Letter  
Year Ended June 30, 2015

*Concur.*

**Elbridge Gale Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 1915 Royal Fern Drive  
Wellington, FL 33414

Principal:  
Fiscal Year 2015: Gail Pasterczyk  
During Audit: Gail Pasterczyk

Treasurer:  
Fiscal Year 2015: Ranka Connor  
During Audit: Ranka Connor

Afterschool Site Director:  
Fiscal Year 2015: Denise Halperin  
During Audit: Denise Halperin

Cash and Investments

Checking	\$ 77,791.07
Investments	
	\$ 77,791.07

	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	637.72	50,260.66	48,816.42	2,830.40	4,384.06	528.30
Clubs	3,627.43	21,952.56	19,666.63	1,407.78	1,906.44	5,414.70
Departments	10,104.51	22,739.79	20,368.68	8,381.28	8,456.28	12,400.62
Trusts	45,364.75	738,009.82	741,656.64	11,493.24	12,999.55	40,211.62
General	16,786.98	24,925.23	26,110.01	12,315.03	8,681.40	19,235.83
	\$ 76,521.39	\$ 857,888.06	\$ 856,618.38	\$ 36,427.73	\$ 36,427.73	\$ 77,791.07

## 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* of the *Log* (pages #12-77710, #12-77723, and #12-77724) were not signed by a second person to confirm that the collections were removed from the safe for processing by the school treasurer.
  - *Section 3* of the *Log* (page #12-22089) were not signed by a staff verifier to confirm that the collections had been recorded in the General Ledger by the treasurer.
- The school's *End-of-Year Checklist* instructed staff to turn-in all the yellow copies of MCRs to the treasurer instead of the school secretary. This is contrary to the requirements of District procedures.

### 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*, (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.
- 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. Out of hundreds of pages there were 2 on 9/2/15 that were not initialed. Clearly this was an oversight and not a pattern of behavior. In sect. 3 – person who initials was out – receipts were listed but no initials to verify this one time.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The Polo Shirts Sales (Account #7-0101.01) did not have the required *Sales Item Inventory Report*.

**Recommendation**

To 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 remaining in inventory. Significant discrepancy between the estimated revenue and actual receipts should be investigated and resolved accordingly.

***Management's Response***

*Concur. This was NOT a fundraiser. My treasurer called the district to seek guidance on this from the Accounting Manager and she was not there. She spoke to two different people who gave her two different answers.*

***Additional Comments***

*My treasurer is one of the most honest, trustworthy and dedicated treasurers in the district. She has had many perfect audits.*

**Equestrian Trails Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 9720 Stribling Way  
Wellington, FL 33414

Principal:  
Fiscal Year 2015: Michele Johnson  
During Audit: Michele Johnson

Treasurer:  
Fiscal Year 2015: Lourdes Santos  
During Audit: Lourdes Santos

Afterschool Site Director:  
Fiscal Year 2015: Ken Haines  
During Audit: Ruben Soto

Cash and Investments

Checking	\$ 111,517.85
Investments	
	\$ 111,517.85

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 477.24	\$ 32.39	\$ 246.38	\$ 19.50	\$0.00	\$ 282.75
Music	309.39	1,837.00	1,664.95	253.05	253.05	481.44
Classes	10,042.02	64,798.18	64,955.86	8,037.55	6,447.55	11,474.34
Clubs	4,315.50	14,736.40	9,819.21	3,497.68	3,897.68	8,832.69
Departments	21,987.59	16,805.23	25,903.18	4,746.27	4,746.27	12,889.64
Trusts	53,149.81	555,863.23	550,359.78	9,419.40	11,616.40	56,456.26
General	28,994.50	16,878.74	25,760.01	4,197.11	3,209.61	21,100.73
	\$ 119,276.05	\$ 670,951.17	\$ 678,709.37	\$ 30,170.56	\$ 30,170.56	\$ 111,517.85

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of documentation for sample fundraisers found that the sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) 4<sup>th</sup> Grade T-shirt Sale, (2) Y-Ties Fundraiser, and (3) Agendas Sales.

### **Recommendation**

To ensure fundraiser sponsors have 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.

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

*Concur. Will make sure all employees have training.*

**Everglades Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 407 Marginal Road  
West Palm Beach, FL 33411

Principal:  
Fiscal Year 2015: Tara Dellegrotti  
During Audit: Amie Souder

Treasurer:  
Fiscal Year 2015: Mary Kozlowski  
During Audit: Mary Kozlowski

Afterschool Site Director:  
Fiscal Year 2015: Jennifer Sunderman  
During Audit: Jennifer Sunderman

Cash and Investments

Checking	\$ 49,061.46
Investments	
	\$ 49,061.46

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,255.24	1,537.59	2,293.24	480.05	480.05	499.59
Classes	1,870.00	75,626.24	72,960.99	6,936.78	10,679.53	792.50
Clubs	7,728.67	8,071.03	5,446.67	3,765.89	3,318.79	10,800.13
Departments	11,293.00	20,221.24	17,822.05	11,376.23	12,217.59	12,850.83
Trusts	12,368.52	493,884.27	490,095.41	3,561.37	3,225.43	16,493.32
General	6,327.12	11,640.15	14,143.25	7,760.95	3,959.88	7,625.09
	\$ 40,842.55	\$ 610,980.52	\$ 602,761.61	\$ 33,881.27	\$ 33,881.27	\$ 49,061.46



## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Disbursement #1840 (for \$593) was for payment to a vendor for providing entertainment activities for the May 22, 2015 Afterschool Program. However; the required *Addendum to Consultant Agreement (PBSD 2495)*, which was part of the contract for insurance and Waiver of Subrogation terms, was missing.
- Three disbursements (#1630 for \$2,642.50, #1662 for \$1,800, and #1876 for \$1,020) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.
- Supporting documents for two sample disbursements (#1760 and #1831, totaling \$21,068.52) were not defaced after payment. Defacing supporting documents for purchases helps prevent potential duplicate payments.

### Recommendation

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

- To protect the best interests of the School District, special events should be administered in accordance with the District's *Special Events Guide for Insurance and Loss Prevention*. Specifically, the vendor should complete the required *Addendum to Consultant Agreement (PBSD 2495)* for insurance requirements and Waiver of Subrogation terms.
- *Purchase Orders* 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.
- To prevent potential duplicate payments, supporting documentation for disbursement should be defaced (stamped "PAID") after payment.

### Management's Response

- *The School District Consultant Agreement Packet includes PBSD 1420, 1997, 2075. Form #2495 is not included. Wording in Form #1420 School District Consultant Agreement Sections 11 and 12 include INDMENIFICATION/HOLD HARMELSS language. In the future we will make sure that form #2495 is included when applicable.*
- *Concur. The Principal and Bookkeeper have implemented procedures to forward all Purchase orders exceeding \$1000.00 to be first directed to the principal for signature.*
- *Concur. The Principal and Bookkeeper have implemented procedures for a double check process of defacing supporting documents.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

- The Yearbook Sales (Account #7-0100.03) did not have the required *Sales Item Inventory Report*. Without documentation for 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 sponsors for the Yearbooks (Account #7-0100.03) and Recycle Club Nature's Vision (Account #4-0100.02) fundraisers did not complete the required eLearning Fundraiser Training during Fiscal Year 2015, although they had completed the training in previous year (Fiscal Year 2014).

### 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. 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, if any, between the estimated revenue and actual collection should be investigated and resolved accordingly.
- To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

### Management's Response

- *A completed and detailed spreadsheet for the Yearbook Sales Fundraiser was provided for review. Due to the complexity involved with Yearbook sales (Yearbook Sales, Personal messages for students and Happy Ads) form #0182 was omitted in favor of the spreadsheet. In the future form #0182 will be included with a reference to see attached.*
- *Concur. The Principal and Bookkeeper have implemented the following procedures to ensure teachers and fundraiser sponsors complete the required training.*

*FY2016 Bulletin #P-16-079 regarding Mandatory Internal accounts training was distributed to all teachers and account sponsors. Also a report is available to Administration to view who has completed the trainings. Administration has also discussed this training and its importance at Teacher PDD's.*

## LEASING OF SCHOOL FACILITIES

### **Finding**

*Lease #1018* was for the use of school facilities on April 17, 2015. However, the *Agreement* was neither signed by the lessee nor approved by the Principal until three days after the leasehold period began. Additionally, the rental was not collected until three days after the use of 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, all *Lease Agreements* should be properly executed with all the required signatures prior to the use of facilities by lessees.
- ***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. The Principal and Leasing Coordinator will reiterate to all lessees the time required to examine and submit any lease requests.*

**Forest Hill Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 5555 Purdy Lane  
West Palm Beach, FL 33415

Principal:  
Fiscal Year 2015: Ana Arce-Gonzalez  
During Audit: Ana Arce-Gonzalez

Treasurer:  
Fiscal Year 2015: Susan Adrion  
During Audit: Susan Adrion

Afterschool Site Director:  
Fiscal Year 2015: Marie Gavino  
During Audit: Marie Gavino

Cash and Investments

Checking	\$ 42,206.87
Investments	
	\$ 42,206.87

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,366.88	48.00	48.00	0.00	0.00	1,366.88
Classes	1,817.42	10,114.02	9,690.00	3,267.64	3,091.36	2,417.72
Clubs	3,302.45	2,043.00	6,292.52	5,118.07	2,067.35	2,103.65
Departments	7,924.67	8,793.52	5,869.73	3,838.88	3,838.88	10,848.46
Trusts	25,491.97	235,977.71	234,266.08	15,158.68	18,597.20	23,765.08
General	1,633.22	6,701.85	6,841.51	2,819.15	2,607.63	1,705.08
	\$ 41,536.61	\$ 263,678.10	\$ 263,007.84	\$ 30,202.42	\$ 30,202.42	\$ 42,206.87

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The sponsor for the PTO Spirit Shirts (Account #6-3300.01) fundraiser did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.

### Recommendation

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.

### Management's Response

*Concur. All sponsors have been fully informed to complete the eLearning Training Course.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Disbursement #12908 (for \$900) was for payment of renting obstacle course and a sports inflatable with attendants for the April 25, 2015, Family Fun Day Event. However, this disbursement did not have the required *School District Consultant Agreement (PBSD 1420)*; and the vendor's *Certificate of Insurance* included the School District, instead of the School Board, as the certificate holder and additional insured party for liability insurance coverage.
- The supporting documentation for two April 17, 2015, P-Card transactions (\$646.96 and \$2,509.50, totaling \$3,156.46) included only the total dollar amounts without the details for the items purchased. Moreover, the \$2,509.50 transaction exceeded the \$1,000 per vendor daily limit, without 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,

- 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 signatures, and (2) 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*.

- Consultant providing entertainment service which requires liability coverage must provide *Certificate of Insurance*, and include the School Board as the certificate holder and additional insured party for liability insurance coverage.
- To ensure that purchases are appropriate, all disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there was no assurance that the expenses were appropriate.
- P-Card purchase in excess of \$1,000 requires prior approval of the Purchasing Department.

***Management's Response***

*Concur. Consultant contract and guidelines were reviewed with bookkeeper. She will also be attending any upcoming leasing training.*

## **AFTERSCHOOL PROGRAM**

**Finding**

The review of records for Afterschool Program found that the \$25 registration fee was not collected from two of the five sample students.

**Recommendation**

Afterschool Programs should be administered in accordance with District's guidelines and *Afterschool Programs Operational Manual*. Specifically, registration fees, should be collected in accordance with District's approved *Rate Schedule*. Fee waivers, if any, should be properly approved and documented.

***Management's Response***

*Concur. I reviewed guidelines for registration with our afterschool director.*

**Forest Park Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

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

Principal:  
 Fiscal Year 2015: Nancy Robinson  
 During Audit: Nancy Robinson

Treasurer:  
 Fiscal Year 2015: Joann Bazer  
 During Audit: Joann Bazer

Afterschool Site Director:  
 Fiscal Year 2015: Kim Stivers  
 During Audit: Kim Stivers

Cash and Investments

Checking	\$ 35,432.30
Investments	
	\$ 35,432.30

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	13.14	0.00	0.00	0.00	0.00	13.14
Classes	523.90	4,622.60	3,672.91	1,741.43	1,741.43	1,473.59
Clubs	828.73	947.11	1,906.56	1,462.64	726.79	605.13
Departments	3,466.21	4,239.85	5,548.16	836.35	646.73	2,347.52
Trusts	30,936.50	120,418.11	125,315.05	8,671.56	9,060.18	25,650.94
General	1,116.79	8,467.33	3,705.29	4,295.16	4,832.01	5,341.98
	\$ 36,885.27	\$ 138,695.00	\$ 140,147.97	\$ 17,007.14	\$ 17,007.14	\$ 35,432.30

## DEPOSIT OF MONIES

### Finding

The review of the money collection process at the school found that:

- The *Drop-safe Log* was not always completed with the required information. Specifically, 63 collections, totaling \$5,801.67, were removed from the drop-safe for processing by the school treasurer during April 7 through 17, 2015. These 63 collections were recorded on seven pages of the *Log* by the activity sponsors. However, *Section 2* of the *Logs* to record the above collections were neither signed by the treasurer nor verified by an independent staff to confirm that the monies were removed from the safe for processing by the treasurer.
- The school secretary was the designated custodian for *Drop-safe Log*; however, the completed *Logs* were maintained by the treasurer instead of the secretary.

### Recommendation

Money collections should be administered in accordance with *Internal Accounts Manual*, and District guidelines. To ensure proper fiscal accountability and as required by *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*,

- *Section 2 of the Log* should be filled out by the treasurer and the independent staff who accompanied the treasurer to the safe. Both the treasurer and the independent staff should jointly confirm that the items listed on the *Log* were removed from the safe by the treasurer for processing.
- The *Drop-safe Log* should be maintained by the school's designated document custodian for the *Log*.

### Management's Response

*Concur. Review of Drop Safe Log procedures during office meeting.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser documentation found the following:

- The sponsor for the IB T-Shirts Sales (Account #4-0225.01) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.



Forest Park Elementary School  
Management Letter  
Year Ended June 30, 2015

- The NED Show YoYos Sales (Account #7-0100.50) was conducted during March 9, 2015, through April 30, 2015. However, the *Fundraising Application/Recap Form* was neither prepared by the sponsor nor approved by the Principal until June 18, 2015, seven weeks after the event ended.

**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 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.

***Management's Response***

*Concur. Review of fundraiser policy with sponsor.*

**Freedom Shores Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 3400 Hypoluxo Road  
 Boynton Beach, FL 33436

Principal:  
 Fiscal Year 2015: Patricia Trejo  
 During Audit: Patricia Trejo

Treasurer:  
 Fiscal Year 2015: Maida Daughtrey  
 During Audit: Liset Steegers

Afterschool Site Director:  
 Fiscal Year 2015: Kim Sheehan  
 During Audit: Kim Sheehan

Cash and Investments

Checking	\$ 109,750.24
Investments	
	\$ 109,750.24

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	561.60	465.00	538.59	0.00	30.00	458.01
Classes	9,455.35	53,259.92	55,295.00	8,749.20	8,758.50	7,410.97
Clubs	5,227.17	10,099.61	2,815.50	7,327.06	15,273.46	4,564.88
Departments	3,611.02	17,633.32	18,608.24	4,110.97	3,405.24	3,341.83
Trusts	52,488.83	630,047.21	601,802.85	18,097.56	15,024.71	83,806.04
General	3,106.75	15,869.58	13,014.94	11,107.40	6,900.28	10,168.51
	\$ 74,450.72	\$ 727,374.64	\$ 692,075.12	\$ 49,392.19	\$ 49,392.19	\$ 109,750.24

Freedom Shores Elementary School  
Management Letter  
Year Ended June 30, 2015

This audit revealed no material instances of noncompliance.

**Frontier Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 6701 180th Avenue North  
Loxahatchee, FL 33470

Principal:  
Fiscal Year 2015: Susan Groth  
During Audit: Susan Groth

Treasurer:  
Fiscal Year 2015: Jaclyn Nicole Traver  
During Audit: Jaclyn Nicole Traver

Afterschool Site Director:  
Fiscal Year 2015: Ali Gunn  
During Audit: Ali Gunn

Cash and Investments

Checking	\$ 47,694.18
Investments	
	\$ 47,694.18

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	197.04	558.00	673.23	0.00	0.00	81.81
Classes	7,424.16	30,813.09	31,123.94	5,935.82	8,660.49	4,388.64
Clubs	647.50	1,023.94	1,240.38	1,112.65	338.28	1,205.43
Departments	2,516.36	17,172.97	17,860.16	2,527.41	2,583.19	1,773.39
Trusts	26,724.77	388,065.69	380,976.86	20,889.92	21,920.63	32,782.89
General	5,922.99	12,902.98	14,400.74	8,817.47	5,780.68	7,462.02
	\$ 43,432.82	\$ 450,536.67	\$ 446,275.31	\$ 39,283.27	\$ 39,283.27	\$ 47,694.18

## DEPOSIT OF MONIES

### **Finding**

The school's 2014-2015 *Teachers' End-of-Year Checklist* mistakenly instructed staff to submit all the yellow copies of MCRs to the school treasurer, instead of the school secretary as required by District's procedures.

### **Recommendation**

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...*" The school should update its *End-of-Year Checklist* to ensure the instructions are consistent with the District's procedures.

### **Management's Response**

*Concur. We will correct end of the year checklist and all yellow copies will be submitted to the secretary at the end of the year.*

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records found that none of the fundraising sponsors completed the required eLearning Fundraiser Training Course during Fiscal Year 2015.

### **Recommendation**

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.

### **Management's Response**

*We will ensure that all fundraising sponsors will complete this training in the future.*

## AFTERSCHOOL PROGRAM

### **Finding**

The school's Summer Camp Program ended on August 7, 2015. However, as of January 13, 2016, the program had a total accounts receivable of \$1,907.38 from four students.

### **Recommendation**

Frontier Elementary School  
Management Letter  
Year Ended June 30, 2015

Afterschool and Summer Camp Programs are self-sufficient programs supported by user fees. To ensure fiscal accountability, program fees should be collected in advance as required by ***Afterschool Programs Operational Manual***. The ***Manual*** states “*fees are payable in advance and are collected monthly on the first three school days of the month.*”

***Management’s Response***

*Concur. We will follow all Afterschool Programs financial guidelines.*

**Galaxy E3 Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

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

Principal:  
 Fiscal Year 2015: Ed Capitano  
 During Audit: Ed Capitano

Treasurer:  
 Fiscal Year 2015: Jennifer Srabian  
 During Audit: Jennifer Srabian

Afterschool Site Director:  
 Fiscal Year 2015: Katina Thomas  
 During Audit: Katina Thomas

Cash and Investments

Checking	\$ 30,479.05
Investments	
	\$ 30,479.05

	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	20.00	0.00	0.00	20.00	0.00
Classes	2,149.55	17,436.74	17,118.49	1,181.07	1,155.86	2,493.01
Clubs	888.08	12,643.00	9,897.98	2,619.50	217.00	6,035.60
Departments	373.50	6,299.88	6,120.20	2.09	130.89	424.38
Trusts	15,853.12	178,105.50	175,284.45	12,298.08	15,164.13	15,808.12
General	678.51	28,656.01	24,203.72	4,994.76	4,407.62	5,717.94
	\$ 19,942.76	\$ 243,161.13	\$ 232,624.84	\$ 21,095.50	\$ 21,095.50	\$ 30,479.05

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser documentation revealed that:

- The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Yearbook, (2) Coupon Books and (3) P.T.O. Carnation Sales.
- *Sales Item Inventory Reports* were not maintained for three fundraisers: (1) Scratch Card Sales, (2) Yearbook Sales, and (3) P.T.O. Carnation Sales.
- The *Sales Item Inventory Reports* were not approved by the Principal for two fundraisers: (1) 4<sup>th</sup> Grade Snack Shop Sales, and (2) Safety Patrol Coupon Books Sales.
- Five sample fundraisers were not pre-approved by the Principal. Specifically,
  - The P.T.O. Carnation Sales was not approved by the Principal until three weeks after the fundraising event had completed.
  - Four fundraisers were not approved by the Principal until one to 12 days after the events had begun: (1) Yearbook Sales, (2) Safety Patrol Coupon Books, (3) Yankee Candle Sale, and (4) 4<sup>th</sup> Grade Snack Shop Sales.

### 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. 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, or missing.
- To ensure that fundraising activities are consistent with the School Board Mission, fundraisers should be pre-approved by the Principal.

### *Management's Response*



*Concur.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Disbursement #11994 (for \$4,967.25) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Supporting documents for disbursements, such as invoices and receipts, were not defaced (stamped “PAID”) after payment to prevent potential duplicated payments.

### 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.
- To avoid potential duplicated payments, supporting documentation should be defaced (stamped “PAID”) after payment was made.

### Management’s Response

*Concur.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of records for school facilities leasing found that leasing charges were not always collected prior to the use of facilities by lessees. Specifically, some of the weekly rentals for Lease #1006 and #1001 were for the use of facilities by the same lessee during July and August 2014 respectively. However, some of the weekly rentals were not collected from the lessee in a timely manner, with delays ranging from 12 to 26 days.

### Recommendation

As required by *School Board Policy 7.18*, 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.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that:

- The school treasurer was the designated custodian for *School Checks*, although she was the primary user of the *School Checks*.
- Monthly inventory-check was not performed for the *Drop-safe Logs* and *School Checks*. Specifically, the *Drop-safe Logs* were inventoried only two times during the year on January 15 and June 25, 2015; and the *School Checks* were inventoried only once on June 10, 2015.

**Recommendation**

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

- *Chapter 27 of the Internal Accounts Manual*, requires that the custodian for prenumbered form be someone who is not involved in the day-to-day use of the form. The school should assign a staff other than the school treasurer as the designated custodian for *School Checks*. should be
- To ensure all prenumbered documents are properly accounted for, the designated custodians 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.*

**Glade View Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

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

Principal:  
Fiscal Year 2015: Linda Edgecomb  
During Audit: Linda Edgecomb

Treasurer:  
Fiscal Year 2015: Brenda Dominique  
During Audit: Brenda Dominique

Cash and Investments

Checking	\$ 12,431.36
Investments	
	\$ 12,431.36

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	0.00	0.00	0.00	0.00
Classes	0.00	1,356.66	875.94	0.00	480.72	0.00
Clubs	187.84	1,142.35	951.11	132.53	132.53	379.08
Departments	179.99	54.66	227.31	0.00	0.00	7.34
Trusts	11,001.75	49,376.46	49,338.04	5,094.96	5,094.96	11,040.17
General	2,289.40	4,416.95	6,182.30	785.97	305.25	1,004.77
	\$ 13,658.98	\$ 56,347.08	\$ 57,574.70	\$ 6,013.46	\$ 6,013.46	\$ 12,431.36

## DEPOSIT OF MONIES

### Finding

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

- *Drop-safe Logs* were not always completed with all the needed information. Specifically, (1) Section 2 on page #12-06568 of the *Log* did not have the dates when the collections were removed from the safe for processing by the school treasurer; (2) Section 3 on page #12-06574 of the *Log* was not signed by the staff who verified that the collections had been recorded in the General Ledger; and (3) Sections 2 and 3 on page #12-06559 of *Log* for one collection were not completed with any of the required information.
- Some MCRs did not always include all the required information. For example, the check numbers for three checks, totaling \$144, collected through two MCRs (#409-1 and #409-2) were not recorded on the MCRs.

### 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 properly 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 should jointly complete *Section 2* of the *Log* to document that the deposits from the safe were removed by the treasurer for processing. Lastly, the verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- The check numbers should be noted on the "CHECK #" column of the MCR if payments were made by checks.

### Management's Response

*Concur. Drop-safe Log to be completed in its entirety prior to dropping collections into the safe (Section 1); the treasurer along with independent staff will jointly complete section 2 documenting deposits removed for processing; Section 3 to be completed after treasurer enters deposit information into school's accounting system. Check numbers will be noted in correct "Check" column of MCR as appropriate.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records revealed that the Yearbook Sales (Account #7-0100.03) did not have the required *Sales Item Inventory Report*; and the sponsor did not complete the required eLearning Fundraiser Training for Fiscal Year 2015.

### 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 should assist staff in reconciling the sales revenue with the estimated revenue. Significant discrepancy, if any, between the estimated revenue and actual collection should be investigated and resolved accordingly. All monies raised through fundraisers should be accounted for properly.
- To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

### Management's Response

*Concur. Sales Item Inventory Report should be prepared and completed with accurate information for each fundraiser. Should there be any significant discrepancy between the estimated revenue and actual collection it will be investigated and resolved.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card transaction records found that Disbursement #6987 (for \$1,344) 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 being made; and (2) *Purchase Orders* should be issued for purchases in excess of \$1,000.

### Management's Response

*Concur. All Internal Funds purchases will have Principal's approval prior to any purchases being made and Purchase Orders in excess of \$1,000 will be approved.*

**Golden Grove Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

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

Principal:  
Fiscal Year 2015: Adam Miller  
During Audit: Adam Miller

Treasurer:  
Fiscal Year 2015: Grace Wersching  
During Audit: Grace Wersching

Afterschool Site Director:  
Fiscal Year 2015: Patricia Packard  
During Audit: Patricia Packard

Cash and Investments

Checking	\$ 34,025.10
Investments	
	\$ 34,025.10

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 882.52	\$ 998.95	\$ 914.82	\$ 151.24	\$ 151.24	\$ 966.65
Music	805.01	0.00	536.78	0.00	0.00	268.23
Classes	6,843.61	34,084.07	34,598.53	2,496.16	2,327.54	6,497.77
Clubs	1,753.08	2,000.00	2,433.92	0.00	0.00	1,319.16
Departments	970.25	633.75	1,167.91	0.00	0.00	436.09
Trusts	23,677.62	279,051.33	283,273.39	2,003.65	2,055.20	19,404.01
General	3,336.23	26,820.79	24,906.76	5,063.36	5,180.43	5,133.19
	\$ 38,268.32	\$ 343,588.89	\$ 347,832.11	\$ 9,714.41	\$ 9,714.41	\$ 34,025.10

## DEPOSIT OF MONIES

### **Finding**

The review of sample *Monies Collected Reports* (MCRs) and the money collection process at the school found that the *Drop-safe Log* was not always completed with all the required information. Specifically, Section 3 of page #12-28956 of the *Log* did not have the *Official Receipt* number, and the initial/signature of the verifier who confirmed the entries to the General Ledger. These noncompliances involved a total of \$2,520.29 from six collections.

### **Recommendation**

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

### **Management's Response**

*Concur. The above recommendation was reviewed with appropriate staff.*

### **Additional Comments**

*We concur that the drop-safe log was missing the official receipt number and verifier signature on section 3 of page #12-28956 however our auditor confirmed there were no missing funds. We would like the finding to note that this was an isolated incident and has not occurred before or after, as evidenced with only these 6 transactions out of 971 that were reviewed. Additionally, receipts were issued to staff for these deposits further delineating this as an oversight. We would like to state, "the drop safe log was not completed with all the required information for this instance", instead of, "was not always".*

**Gove Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

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

Principal:  
Fiscal Year 2015: Osvaldo Garcia  
During Audit: Osvaldo Garcia

Treasurer:  
Fiscal Year 2015: JoAnn Rivers  
During Audit: JoAnn Rivers

Cash and Investments

Checking	\$ 95,587.05
Investments	
	\$ 95,587.05

	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	13,208.39	46,995.25	52,198.28	5,595.32	11,973.67	1,627.01
Clubs	10,830.88	54,213.53	64,970.89	27,244.81	19,241.76	8,076.57
Departments	11,317.21	11,126.12	11,534.36	4,262.56	2,909.56	12,261.97
Trusts	18,994.41	103,440.50	55,191.80	21,662.36	20,763.40	68,142.07
General	7,016.01	10,395.39	8,055.31	116.00	3,992.66	5,479.43
	\$ 61,366.90	\$ 226,170.79	\$ 191,950.64	\$ 58,881.05	\$ 58,881.05	\$ 95,587.05



## DEPOSIT OF MONIES

### Finding

The review of money collection process and sampling of *Monies Collected Reports* (MCRs) at the school found that monies collected were not always deposited in a timely manner. For example, \$905.20 collected through four MCRs (#502-3, #502-9, #538-2, and #538-3) was retained by the sponsors for one to three working days before the money was put into the drop-safe for deposit.

### Recommendation

*DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)* and the District's *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 exposure to staff and increased potential irregularities.

### Management's Response

*Concur. I met with teachers and expressed the District Internal Accounts Manual Requirements of drop-safe collection daily of any money collected.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that the school did not maintain the required *Sales Item Inventory Reports* for the following three fundraisers: (1) 6<sup>th</sup> grade Candy Sales, (2) Safety Patrol Candy Sale, and (3) Yankee Candle Sales. Without documentation for sales information such as selling prices, quantities sold, and inventory counts, there is assurance that all sales revenues were properly accounted for.

### 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 accurate information for each fundraiser in order for staff to reconcile the sales revenue with the estimated revenue. Moreover, the *Report* should be approved by the Principal to confirm the legitimacy for any items that were given-away. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

***Management's Response***

*Concur. Provide all teachers managing fundraisers a Sales Item Inventory Report form and approval or hold until proper documentation is given.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

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

- Disbursement # 12120 (\$1,185) was for rent payment of inflatable and other entertainment equipment, with attendants, for the June 3, 2015, Field Day Event. However, this disbursement was neither supported by a *School District Consultant Agreement (PBSD 1420)* nor proof of liability insurance coverage from the vendor.
- Disbursement #12116 (\$2,000) was for payment to a consultant for mural paintings at the school. However, the consultant was engaged without the required *School District Consultant Agreement (PBSD 1420)*.
- Disbursement #11879 (\$750) was for payment of “food for welcome back breakfast” for staff. However, it was incorrectly funded with the 6<sup>th</sup> Grade Account (#3-3600), instead of the Administrative Courtesy Account (#6-0200).

**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 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)*.
- As required by the District’s *Special Events Guide for Insurance Loss Prevention*, the school should “obtain a *Certificate of Insurance from the vendors/service provider and an endorsement naming School Board as an Additional Insured on the policy*” for conducting carnivals with amusement vendors, bounce houses, and inflatables rides.
- All expenditures should be funded by the appropriate funding sources in accordance with District’s guidelines.

***Management's Response***

*Concur. School District Consultant Agreements (PBSD 1420) will be properly executed in order for the consultant's background and clearance check to be complete before service. We obtain certificate of insurance for vendor/service providers.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of school facility leasing records revealed that two *Lease Agreements* (#1009 and #1011, with the same lessee) were not signed by the lessee and witness.

**Recommendation**

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***

*Concur. Ensure that all required signatures are done prior to the use of facilities by lessees.*

**Grassy Waters Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

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

Principal:  
Fiscal Year 2015: Jennifer Galindo  
During Audit: Jennifer Galindo

Treasurer:  
Fiscal Year 2015: Theresa Ferry  
During Audit: Theresa Ferry

Afterschool Site Director:  
Fiscal Year 2015: Carissa Hehn  
During Audit: Carissa Hehn

Cash and Investments

Checking	\$ 76,141.50
Investments	
	\$ 76,141.50

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	183.58	0.00	183.01	0.00	0.00	0.57
Classes	9,398.05	24,274.40	23,989.82	3,269.55	3,501.14	9,451.04
Clubs	4,850.82	3,888.07	1,450.11	1,250.25	3,004.85	5,534.18
Departments	5,156.37	13,611.88	12,827.09	5,543.28	7,499.12	3,985.32
Trusts	51,346.52	549,312.22	550,054.72	5,156.06	5,167.75	50,592.33
General	3,608.84	10,203.62	11,188.12	8,609.46	4,655.74	6,578.06
	\$ 74,544.18	\$ 601,290.19	\$ 599,692.87	\$ 23,828.60	\$ 23,828.60	\$ 76,141.50

## DEPOSIT OF MONIES

### Finding

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

- Some sponsors did not always record the deposit information on the *Drop-safe Log* before dropping off the monies into the safe. For example, six activity sponsors did not record the information for eight collections on the *Log*. The information was subsequently entered into the *Log* (page #s 12-57160, 12-57183, 12-57189, 12-57232, 12-57247, and 12-73309) by the secretary when the collections were removed from the safe for processing by the school treasurer.
- *Section 3* on four pages of the *Drop-safe Log* (#12-57184, #12-57175, #12-73331, and #12-73318, with 43 collection records) was not signed by an independent staff verifier who should verify that the collections had been recorded in the General Ledger by the treasurer.
- \$196 collected through four sample MCRs (#522-19, #522-4, #522-17, and 550-5) was retained by the sponsors 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,

- 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 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 potential irregularities.

### Management's Response

*Concur. Review with staff drop-safe log procedures.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

Grassy Waters Elementary School  
Management Letter  
Year Ended June 30, 2015

The review of sample fundraiser documentation revealed that the *Sales Item Inventory Report* for the Safety Patrol Coupon Book Sales (Account #6-4000.01) was not completed with all the required information. Missing information included number of Coupon Books sold, selling price, and sales revenues.

Based on the school's accounting records, 431 Coupon Books were purchased for resale, which should have generated a total estimated revenue of \$8,620. However, only \$7,800 in sales revenue was deposited into the Internal Funds. As a result, \$820 (9.5%) in estimated revenue was unaccounted for.

**Recommendation**

*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. 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. Review with sponsors fundraising procedures.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

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

- Disbursement #6305 (for \$550) was for payment to a consultant who provided entertainment services to the Summer Camp Program on June 9, 2015. However, this procurement did not have the required *School District Consultant Agreement* (PBSD 1420).
- Disbursement #5989 (for \$999) was for payment to a consultant who provided services to the Afterschool Program on October 23, 2014. However, this expenditure was supported by a *School District Consultant Agreement* (PBSD 1420) that (1) was expired on August 1, 2014; and (2) had contracted compensation rate of \$500 to \$600 per visit. As a result, the school paid the consultant at least \$399 (\$999 - \$600) more than the contract price.
- Disbursement #6228 (for \$1,458.83) 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* and related District guidelines. Specifically,

Grassy Waters Elementary School  
Management Letter  
Year Ended June 30, 2015

- To protect the best interests of the school, the *School District Consultant Agreement (PBSD 1420)* should be properly executed prior to the consultant performing the services. Moreover, to protect the safety and welfare of students, the school should ensure that consultants who work on school campus have passed the required background and clearance check as required by ***Florida Statutes §1012.465***.
- Payment to consultant should be consistent with the agreement. A new agreement or an addendum should be executed for procuring additional service beyond the contract amount. The school should recoup from the consultant the \$399 in overpayment for Disbursement #5989.
- 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. Review consultant agreement and purchase order procedures with SACC director.*

**Greenacres Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 405 Jackson Avenue  
Greenacres, FL 33463

Principal:  
Fiscal Year 2015: Melissa Patterson  
During Audit: Melissa Patterson

Treasurer:  
Fiscal Year 2015: Donna Shaw  
During Audit: Donna Shaw

Afterschool Site Director:  
Fiscal Year 2015: Omi Torres  
During Audit: Omi Torres

Cash and Investments

Checking	\$ 57,326.52
Investments	
	\$ 57,326.52

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	176.90	1,148.11	864.31	670.49	755.49	375.70
Classes	9,525.25	26,586.14	19,519.27	8,152.00	7,887.38	16,856.74
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	4,765.41	14,802.01	14,191.34	4,079.07	3,390.05	6,065.10
Trusts	25,686.11	212,468.23	206,749.80	13,643.91	14,827.23	30,221.22
General	2,922.57	4,217.20	3,646.69	898.68	584.00	3,807.76
	\$ 43,076.24	\$ 259,221.69	\$ 244,971.41	\$ 27,444.15	\$ 27,444.15	\$ 57,326.52



## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Disbursements #11973 (for \$1,900) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Supporting documentation was not always defaced (stamped “PAID”) after payment. For example, the supporting documents for two sample disbursements (#11863 and #11999, totaling \$16,218) were not defaced after payments.

### 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.
- To avoid potential duplicate payments, supporting documentation should be defaced (stamped “PAID”) after payment.

### Management’s Response

*Concur. The principal will meet with the bookkeeper and revisit PO requirements and proper procedures to avoid duplication of statements.*

## AFTERSCHOOL PROGRAM

### Finding

The review of the school’s Afterschool Program records found that:

- The EZ Care database (the Afterschool Program’s Accounting System) was not updated in a timely manner. Specifically, a total of \$74,879.29 in Family Central’s subsidy payments for October 2014, through June 2015, were not recorded in the EZ Care database until November 9, 2015.
- The Aftercare Director was the designated document custodian for *SACC Receipts*, although she was also involved in the day-to day use of the receipt books and maintaining the Afterschool Program accounting records (the EZ Care database).

Greenacres Elementary School  
Management Letter  
Year Ended June 30, 2015

**Recommendation**

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

- To ensure the accuracy and completeness of the program's accounting records, financial transactions, including Family Central's subsidy reimbursements, should be timely and accurately recorded in the EZ Care database and periodically reconciled with the Internal Funds accounting records.
- As required by *Internal Accounts Manual, Chapter 27*, "The document custodian for each form may be someone different, but it should be someone who is not involved in the day-to-day use of the form." The school should designate a staff, other than the Afterschool Site Director, as the document custodian to account for the *SACC Receipts*.

**Management's Response**

*Concur. Principal has met with the aftercare coordinator re: the proper reconciliation processes.*

**Grove Park Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

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

Principal:  
Fiscal Year 2015: Eric Gross  
During Audit: Eric Gross

Treasurer:  
Fiscal Year 2015: Kanishia Mortin  
During Audit: Kanishia Mortin

Afterschool Site Director:  
Fiscal Year 2015: Patricia Almaguer  
During Audit: Patricia Almaguer

Cash and Investments

Checking	\$ 48,419.47
Investments	
	\$ 48,419.47

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	47.40	35.00	68.50	0.00	0.00	13.90
Classes	105.00	10,097.22	9,954.81	673.95	921.36	0.00
Clubs	268.52	6,844.64	4,526.46	2,915.26	4,093.70	1,408.26
Departments	248.16	5,893.61	5,770.24	1,039.06	1,020.65	389.94
Trusts	47,855.93	128,634.09	143,738.37	7,855.03	1,349.03	39,257.65
General	9,611.19	7,908.75	5,071.66	3,543.69	8,642.25	7,349.72
	\$ 58,136.20	\$ 159,413.31	\$ 169,130.04	\$ 16,026.99	\$ 16,026.99	\$ 48,419.47

## 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, \$132.61 collected through two MCRs (#381-2 and #381-3) was not timely processed by the school treasurer and deposited into the bank until nine working days after collection.

### Recommendation

*DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)* require that monies collected be deposited in the bank within five working days after collection. Delay in turning in the monies for deposit could increase the exposure to staff and result in potential irregularities.

### Management's Response

*Concur. The school treasurer will ensure that monies are deposited into the bank in a timely manner.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchases found that on April 14, 2015, the school purchased a total of \$1,230.84 in snacks and supplies for the Afterschool Program. However, this purchase was split into two payments (\$988.98 and \$241.86) and charged to two school's P-Cards. Splitting a purchase that exceeded the \$1,000 limit into multiple purchases is disallowed by the *Purchasing Card Procedures*.

### Recommendation

P-Card purchase in excess of \$1,000 requires prior approval from the Purchasing Department. In addition, *Purchasing Card Procedures* provide that, "Splitting an invoice totaling more than \$1,000 is considered Pyramiding and is not allowed. Payment for purchases shall not be split to stay within the single purchase limit." The school should not split large purchase in order to circumvent purchasing rule.

### Management's Response

*There was no violation of guidelines with this invoice, nor exceed the \$1,000 limit. Supplies were purchased with one card and food with the other card.*

## LEASING OF SCHOOL FACILITIES

### Finding

Grove Park Elementary School  
Management Letter  
Year Ended June 30, 2015

The review of records for school facilities leasing found that the charges for Lease #1011 was not collected until 16 days after the use of facilities by the 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. The leasing coordinator will ensure that all charges are collected at least 48 hours in advance of use of the facility.*

**Hagen Road Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 10565 Hagen Ranch Road  
Boynton Beach, FL 33437

Principal:  
Fiscal Year 2015: Richard Hughes  
During Audit: Robyn Saltzman

Treasurer:  
Fiscal Year 2015: Ana Santana  
During Audit: Danyalle Torres

Afterschool Site Director:  
Fiscal Year 2015: Sasha Lejeune  
During Audit: Sasha Lejeune

Cash and Investments

Checking	\$ 29,168.23
Investments	
	\$ 29,168.23

	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	11,731.02	14,518.51	18,492.27	4,067.35	2,804.69	9,019.92
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	2,417.11	5,835.89	6,391.47	1,453.43	1,453.43	1,861.53
Trusts	15,929.68	473,715.28	472,904.51	17,392.14	17,895.22	16,237.37
General	5,538.10	13,175.39	15,904.50	4,346.41	5,105.99	2,049.41
	\$ 35,615.91	\$ 507,245.07	\$ 513,692.75	\$ 27,259.33	\$ 27,259.33	\$ 29,168.23

## DEPOSIT OF MONIES

### Finding

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

- The school was unable to locate some of the yellow copies of MCRs and the related computerized *Official Receipts* that should have been turned-in by activity sponsors to the school secretary at year-end for record retention.
- The review of the available yellow copies on MCRs noted that they contains the school treasurer's signature/initial and the *Official Receipt* numbers. Apparently, the activity sponsors did not retain the yellow copies as required. The original MCRs and the yellow copy were both submitted to the treasurer.

### 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*,

- At the year-end, "*Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary...*" These documents should be retained for a time-period consistent with the record retention guidelines.
- Activity sponsors should keep the yellow copy of the MCR, instead of giving it to the school treasurer with the monies they 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

*Concur. Teachers will house yellow copies and turn in at the end of the school year.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of documentation for sample fundraisers found that:

- The sponsors for three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Yearbook Sales, (2) Fourth Grade Water Sale, and (3) Coupon Book Sales.

- The *Sales Item Inventory Report* for the Yearbook Sale (Account # 7-0100.01) was neither signed by the sponsor nor approved by the Principal. In addition, the *Report* was not completed with all the required information such as the sales revenues.

### **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. Every teacher involved will take all eLearning courses.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

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

- A November 14, 2014, P-Card purchase for \$219.10 did not have any supporting document for the purchase. An October 31, 2014, P-Card purchase for \$99.60 was supported by a credit card transaction receipt that indicated only the dollar amount without the details of the purchase.
- Three disbursements (#11069 for \$1,259.84, #11205 for \$1,275, and #11272 for \$1,440) exceeded the \$1,000 *Purchase Order* (PO) threshold, but did not have the required *Purchase Orders*.

### **Recommendation**

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

- Expenditures should be adequately documented and supported by itemized invoices and receipts in order to ensure the purchases are appropriate.
- PO approved by the Principal is required for purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase. All purchases should be pre-approved by the Principal.



***Management's Response***

*Concur. P-card purchases will be preapproved with a PO with Aftercare.*

**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*,

- 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)*.
- 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. Bookkeeper has documented custodians.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of school facility leasing records found that Leases #1001 and 1002 had the following exceptions:

- Both *Lease Agreements* were neither signed by the lessee nor a witness.
- Both *Certificates of Insurance* did not include the School Board as the certificate holder and an additional insured party for liability insurance coverage.

**Recommendation**

To protect the best interest of the School District, leasing of school facilities should be administered in accordance with ***School Board Policy 7.18*** and related District guidelines. Specifically,

- All *Lease Agreements* 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***, 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 from unwarranted liability

***Management’s Response***

*Concur. PTA will fill out Leasing Agreements for all events.*

**Hammock Pointe Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

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

Principal:  
 Fiscal Year 2015: Carol Crilley  
 During Audit: Stephanie Cook

Treasurer:  
 Fiscal Year 2015: Elsa Esparaza  
 During Audit: Elsa Esparaza

Afterschool Site Director:  
 Fiscal Year 2015: Bonnie Welch  
 During Audit: Bonnie Welch

Cash and Investments

Checking	\$ 35,556.11
Investments	
	\$ 35,556.11

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	4,143.47	2,021.00	3,773.87	1,646.55	2,146.55	1,890.60
Classes	201.42	50,759.66	50,700.94	5,531.31	5,542.29	249.16
Clubs	3,091.93	4,600.60	5,202.14	153.50	0.00	2,643.89
Departments	9,546.39	13,878.27	17,030.42	5,034.95	5,225.70	6,203.49
Trusts	33,880.34	495,314.57	508,369.42	5,117.97	5,310.64	20,632.82
General	5,598.78	6,082.85	8,486.38	950.88	209.98	3,936.15
	\$ 56,462.33	\$ 572,656.95	\$ 593,563.17	\$ 18,435.16	\$ 18,435.16	\$ 35,556.11

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser records revealed that the sponsor for the Thanksgiving Show DVD Sale (Account #3-3100.01) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.

**Recommendation**

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.

***Management's Response***

*Concur.*

**Heritage Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 5100 Melaleuca Lane  
Greenacres, FL 33463

Principal:  
Fiscal Year 2015: Nina Lant  
During Audit: Nina Lant

Treasurer:  
Fiscal Year 2015: Leslie Mennella  
During Audit: Leslie Mennella

Afterschool Site Director:  
Fiscal Year 2015: Laura Lowman  
During Audit: Laura Lowman

Cash and Investments

Checking	\$ 33,327.93
Investments	
	\$ 33,327.93

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	353.02	0.00	0.00	0.00	353.02	0.00
Classes	722.58	2,871.40	2,745.40	192.75	1,041.33	0.00
Clubs	129.96	1,102.00	1,127.18	0.00	0.00	104.78
Departments	3,855.09	11,542.29	8,424.64	1,985.70	2,186.97	6,771.47
Trusts	19,288.87	189,089.34	189,180.68	11,257.27	11,650.29	18,804.51
General	3,295.05	11,719.13	9,162.90	4,775.47	2,979.58	7,647.17
	\$ 27,644.57	\$ 216,324.16	\$ 210,640.80	\$ 18,211.19	\$ 18,211.19	\$ 33,327.93

Heritage Elementary School  
Management Letter  
Year Ended June 30, 2015

This audit revealed no material instances of noncompliance

**Hidden Oaks Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

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

Principal:  
 Fiscal Year 2015: Sari Myers  
 During Audit: Sari Myers

Treasurer:  
 Fiscal Year 2015: Katrinka Combs / Holly Sequera  
 During Audit: Vacant

Afterschool Site Director:  
 Fiscal Year 2015: Ruben Soto / Lauren Galluscio  
 During Audit: Lauren Galluscio

Cash and Investments

Checking	\$ 75,082.29
Investments	
	\$ 75,082.29

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	535.71	138.00	669.80	3.91	3.91	3.91
Classes	17,287.90	61,344.16	59,157.49	10,459.68	10,829.52	19,104.73
Clubs	3,677.54	4,456.60	4,273.17	2,025.37	1,990.37	3,895.97
Departments	6,631.27	13,334.69	12,957.73	3,806.30	3,911.30	6,903.23
Trusts	44,358.67	473,520.46	477,383.19	11,534.24	10,903.00	41,127.18
General	2,386.38	20,840.74	18,987.85	5,801.57	5,992.97	4,047.87
	\$ 74,877.47	\$ 573,634.65	\$ 573,429.23	\$ 33,631.07	\$ 33,631.07	\$ 75,082.89

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- The *School District Consultant Agreement (PBSD 1420)* for Disbursement #11128 (for \$420) was not approved by the Principal.
- Three disbursements (#10836 for \$1,250, #10843 for \$2,797, and #11163 for \$3,183.60) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- On May 6, 2015, the school purchased a total of \$1,372.64 in poster paper and laminate rolls, which were paid for by using P-Card on two transactions (\$670.88 on May 6, 2015; and \$701.76 on May 7, 2015). This purchase exceeded the \$1,000 per vendor daily limit, but did not have the required *Purchase Order* and prior approval of 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,

- To protect the best interests of the school, the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required signatures prior to the consultants performing services at the school.
- *Purchase Order* approved by the Principal is required for purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase. All purchases should be pre-approved by the Principal.
- P-Card purchase in excess of \$1,000 requires prior approval of the Purchasing Department.

### Management's Response

*Concur. We will make sure all consultant contracts are signed by the principal. We will secure PO's for orders over \$1,000 and will obtain approval from the Purchasing Department for purchases over \$1,000 on the P-Card.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of school facility leasing records revealed that:

- *Lease Agreement* #1001 was not signed by the lessee and approved by the Principal until three days after the leasehold period began. The August 2014 rental from this lease was not collected until four



Hidden Oaks Elementary School  
Management Letter  
Year Ended June 30, 2015

days after the lessee began using the facilities.

- *Lease Agreement* #1036 was for the use of facilities during April 2, through May 14, 2015. However, the *Lease Agreement* was neither approved by the Principal nor signed by the lessee and a witness until 11 and 14 after the leasehold period began. Moreover, the rental was not received until April 16, 2015, i.e. 14 days after the lessee began using the 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, *Lease Agreement* should be properly executed with all the required signatures prior to the use of facilities by lessee.
- ***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. The new treasurer will attempt to collect fees prior to the lease’s start date. I believe this a long term lease which carries over on a monthly basis.*

***Additional Comments***

*The treasurer responsible was only employed with the District for 5 months.*

**Highland Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 500 Highland Avenue  
 Lake Worth, FL 33461

Principal:  
 Fiscal Year 2015: Brian Killeen  
 During Audit: Brian Killeen

Treasurer:  
 Fiscal Year 2015: Teresa Porter  
 During Audit: Teresa Porter

Afterschool Site Director:  
 Fiscal Year 2015: Heather Emerson  
 During Audit: Heather Emerson

Cash and Investments

Checking	\$ 104,214.16
Investments	
	\$ 104,214.16

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	35.88	96.00	96.00	0.00	0.00	35.88
Classes	7,333.50	35,001.25	31,619.57	8,476.67	9,171.96	10,019.89
Clubs	22,196.10	16,144.80	4,113.39	13,060.49	33,980.74	13,307.26
Departments	7,660.71	13,598.68	12,996.20	3,179.80	3,469.55	7,973.44
Trusts	35,441.17	138,838.60	147,519.87	24,443.26	3,223.26	47,979.90
General	29,102.29	9,261.86	14,151.65	2,212.24	1,526.95	24,897.79
	\$ 101,769.65	\$ 212,941.19	\$ 210,496.68	\$ 51,372.46	\$ 51,372.46	\$ 104,214.16

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The sponsors for the following two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Earth Day T-Shirts (Account #4-1070.02), and (2) Science Boards (Account #5-2100.02).

### Recommendation

To ensure staff is aware of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

### Management's Response

*Concur. All teachers are required to take the eLearning prior to beginning any fundraisers.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card documentation found that a December 1, 2014, P-Card transaction for \$1,680 exceeded the \$1,000 daily threshold per vendor. Moreover, this transaction did not have the required *Purchase Order* and prior approval of 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,

- 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) a *Purchase Order* if the purchase is in excess of \$1,000.
- P-Card purchase in excess of \$1,000 requires prior approval from the Purchasing Department.

### Management's Response

*Concur. A new media specialist has been hired. She has completed the eLearning course.*

**H.L. Johnson Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

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

Principal:  
 Fiscal Year 2015: Patricia Lucas  
 During Audit: Patricia Lucas

Treasurer:  
 Fiscal Year 2015: Maria Medina  
 During Audit: Maria Medina

Afterschool Site Director:  
 Fiscal Year 2015: Jennifer Tingler  
 During Audit: Jennifer Tingler

Cash and Investments

Checking	\$ 81,587.08
Investments	
	\$ 81,587.08

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	405.29	0.00	0.00	0.00	0.00	405.29
Classes	12,124.94	29,922.84	29,650.52	1,326.35	1,556.35	12,167.26
Clubs	214.35	20.00	0.00	0.00	0.00	234.35
Departments	2,071.46	14,376.37	14,361.88	778.41	778.41	2,085.95
Trusts	51,239.64	487,898.04	480,958.77	3,923.64	4,372.64	57,729.91
General	9,048.49	6,522.09	7,285.26	10,117.27	9,438.27	8,964.32
	\$ 75,104.17	\$ 538,739.34	\$ 532,256.43	\$ 16,145.67	\$ 16,145.67	\$ 81,587.08

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The sponsors for the following two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Earth Day T-Shirts (Account #4-1070.02), and (2) Science Boards (Account #5-2100.02).

### **Recommendation**

To ensure staff is aware of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

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

*Concur. All teachers are required to take the eLearning prior to beginning any fundraisers.*

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of sample disbursements and P-Card documentation found that a December 1, 2014, P-Card transaction for \$1,680 exceeded the \$1,000 daily threshold per vendor. Moreover, this transaction did not have the required *Purchase Order* and prior approval of 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,

- 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) a *Purchase Order* if the purchase is in excess of \$1,000.
- P-Card purchase in excess of \$1,000 requires prior approval from the Purchasing Department.

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

*Concur. A new media specialist has been hired. She has completed the eLearning course.*

**Hope Centennial Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 5350 Stacy Street  
West Palm Beach, FL 33417

Principal:  
Fiscal Year 2015: Awilda Tomas-Andres  
During Audit: Awilda Tomas-Andres

Treasurer:  
Fiscal Year 2015: Elizabeth Biaggi  
During Audit: Elizabeth Biaggi

Afterschool Site Director:  
Fiscal Year 2015: Danielle Cole  
During Audit: Danielle Cole

Cash and Investments

Checking	\$ 22,089.44
Investments	
	\$ 22,089.44

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	631.28	777.00	0.00	0.00	0.00	1,408.28
Classes	566.58	3,466.00	2,497.66	2,218.98	2,538.86	1,215.04
Clubs	477.34	1,882.00	688.75	1,064.34	2,035.84	699.09
Departments	2,714.63	3,435.56	3,849.06	859.18	859.18	2,301.13
Trusts	14,414.97	81,149.48	84,113.33	2,327.49	1,641.39	12,137.22
General	1,084.26	11,189.20	8,550.06	2,919.70	2,314.42	4,328.68
	\$ 19,889.06	\$ 101,899.24	\$ 99,698.86	\$ 9,389.69	\$ 9,389.69	\$ 22,089.44

Hope-Centennial Elementary School  
Management Letter  
Year Ended June 30, 2015

This audit revealed no material instances of noncompliance.

**Indian Pines Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 6000 Oak Royal Drive  
 Lake Worth, FL 33463

Principal:  
 Fiscal Year 2015: Jill Robinson  
 During Audit: Jill Robinson

Treasurer:  
 Fiscal Year 2015: Keyla Perez  
 During Audit: Mayra Hernandez

Afterschool Site Director:  
 Fiscal Year 2015: Marie Charles  
 During Audit: Marie Charles

Cash and Investments

Checking	\$ 27,492.95
Investments	
	\$ 27,492.95

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	9,323.50	4,770.86	0.00	0.00	4,552.64
Classes	958.38	2,080.20	1,499.97	832.47	1,493.20	877.88
Clubs	7,325.71	14,598.40	22,642.23	15,311.72	8,116.17	6,477.43
Departments	1,377.12	2,990.67	3,323.83	612.76	612.76	1,043.96
Trusts	14,515.47	138,559.51	134,950.05	4,093.12	8,503.14	13,714.91
General	113.30	5,151.71	2,314.08	1,264.20	3,389.00	826.13
	\$ 24,289.98	\$ 172,703.99	\$ 169,501.02	\$ 22,114.27	\$ 22,114.27	\$ 27,492.95



## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- The *School District Consultant Agreement* for Disbursement #12934 (for \$ 375) was not signed by the consultant until 13 days after the contract period began. The *Agreement* for Disbursement #12930 (for \$ 400) was not approved by the Principal until five days after the contract service date.
- Disbursement #13017 (for \$1,484.28) 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* 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) 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)*.
- 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 Orders* should be issued for purchases in excess of \$1,000.

### Management's Response

*Concur. The bookkeeper and I have discussed and reviewed the Internal Accounts Manual to ensure proper procedures are followed for Consultant Agreements and purchases over \$1,000.*

## LEASING OF SCHOOL FACILITIES

### Finding

Three *Lease Agreements* (#1001, #1004 and #1008, with the same lessee) were not signed by the lessee and the witness until one to four days after the leasehold period began.

### Recommendation

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***

*Concur. The Leasing Coordinator will notify me of a lease that needs to be signed to meet the deadline of the due date of the event. If the event request does not allow enough time for a completed lease to be signed the event will not occur.*

**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*,

- Designated staff should be assigned as document custodian for each prenumbered form, and the assignments should be recorded on the *Document Custodian Assignment Register* (PBSD 1663).
- 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. A Document Custodian has been assigned and all procedures are now being followed.*

**J.C. Mitchell Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 2470 NW 5th Avenue  
Boca Raton, FL 33431

Principal:  
Fiscal Year 2015: Joan Pierre-Jerome  
During Audit: Joan Pierre-Jerome

Treasurer:  
Fiscal Year 2015: Laura Sattler  
During Audit: Laura Sattler

Afterschool Site Director:  
Fiscal Year 2015: Lisa Faustini  
During Audit: Lisa Faustini

Cash and Investments

Checking	\$ 50,517.21
Investments	
	\$ 50,517.21

	Beginning Balances	Receipts	Disbursemen ts	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	3,667.85	3,504.50	3,383.18	279.71	279.71	3,789.17
Classes	7,771.66	8,800.58	8,480.12	1,219.50	2,281.21	7,030.41
Clubs	142.23	282.00	199.60	7.00	7.00	224.63
Departments	9,015.03	17,757.54	19,237.09	6,226.79	5,404.02	8,358.25
Trusts	13,664.16	377,409.42	368,091.79	5,928.98	6,493.92	22,416.85
General	9,879.39	13,964.21	15,949.58	3,476.18	2,672.30	8,697.90
	\$ 44,140.32	\$ 421,718.25	\$ 415,341.36	\$ 17,138.16	\$ 17,138.16	\$ 50,517.21

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that the *Sales Item Inventory Report* for the Safety Patrol T-Shirt Sales (Account #6-4000.05) was not completed with accurate information. Specifically,

- The school purchased 63 T-Shirts for this fundraiser, but the *Report* indicated that 50 T-Shirts were purchased.
- The newly purchased T-Shirts were incorrectly listed as beginning inventory, instead of new purchases.
- The *Report* indicated that the total sales revenue was \$344, which did not agree with the total revenue of \$544 as deposited into the Internal Funds.

### Recommendation

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. 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. The principal and bookkeeper met with the sponsor to review the findings. The sponsor was reminded to accurately report new and existing inventory and to accurately report all monies collected.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchase records found that the *Fundraising Agreement* (Disbursement #11005 for \$3,730) for the Coupon Book Sales was signed by the fundraiser sponsor, instead of the Principal.

### Recommendation

Disbursement procedures should be administered in accordance with *Internal Accounts Manual* and related District guidelines. Specifically, contractual agreements should be approved by the Principal as required by *District Administrative Directive D-6.03*, which states “*the Principal of the school is the only person to whom authority has been granted to make any purchase that in any way obligate the school for payment.*”

J.C. Mitchell Elementary School  
Management Letter  
Year Ended June 30, 2015

***Management's Response***

*Concur. Principal met with the sponsor and reminded her to sign in the appropriate section of the Fundraising Agreement. Only the principal is permitted to sign contractual agreements as per District policy.*

***Additional comments***

*The Principal and bookkeeper met with the sponsor and reviewed the draft report. The sponsor will also review the guidelines as set forth by the district and complete annually the following courses on the eLearning System: Cash Receipts and Fundraising to ensure compliance.*

**Jerry Thomas Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 800 Maplewood Drive  
Jupiter, FL 33458

Principal:  
Fiscal Year 2015: Ann Wark  
During Audit: Michael Rieckenberg

Treasurer:  
Fiscal Year 2015: Doralien Ciaramella  
During Audit: Doralien Ciaramella

Afterschool Site Director:  
Fiscal Year 2015: Lisa Borrie  
During Audit: Lisa Borrie

Cash and Investments

Checking	\$ 59,380.44
Investments	
	\$ 59,380.44

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	232.00	231.75	0.00	0.00	0.25
Classes	2,894.17	56,953.07	56,456.29	4,440.73	4,620.93	3,210.75
Clubs	6,209.81	26,366.66	14,146.47	10,987.00	23,363.50	6,053.50
Departments	10,492.88	14,351.34	16,582.58	0.00	0.00	8,261.64
Trusts	36,888.84	431,814.49	440,979.21	13,146.65	1,395.82	39,474.95
General	1,411.70	13,697.19	13,535.41	2,114.32	1,308.45	2,379.35
	\$ 57,897.40	\$ 543,414.75	\$ 541,931.71	\$ 30,688.70	\$ 30,688.70	\$ 59,380.44

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of sample disbursements and P-Card documentation revealed that Disbursement #11445 (for \$1,765) was for renting inflatables for the August 22, 2014, Summer Enrichment Bash. This procurement did not have the required *Hold Harmless Agreement* (PBSD 2496) that was signed by the vendor.

### **Recommendation**

Pursuant to the District's *Special Events Guide for Insurance and Loss Prevention*, a properly executed *Hold Harmless Agreement* (PBSD 2496) is required from the inflatables vendor/provider.

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

*Concur. Will make sure to get form #2496 in the future.*

**Jupiter Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 200 South Loxatatchee Drive  
Jupiter, FL 33458

Principal:  
Fiscal Year 2015: Daniel Smith  
During Audit: Daniel Smith

Treasurer:  
Fiscal Year 2015: Ramona Solozabal/Beatriz Sarmiento  
During Audit: Beatriz Sarmiento

Afterschool Site Director:  
Fiscal Year 2015: Cherie Rosen  
During Audit: Cherie Rosen

Cash and Investments

Checking	\$ 92,009.76
Investments	
	\$ 92,009.76

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	71.79	549.00	569.92	0.00	0.00	50.87
Classes	9,760.43	23,256.18	22,266.47	4,324.74	4,620.44	10,454.44
Clubs	537.33	350.00	327.01	0.00	55.36	504.96
Departments	6,596.18	7,655.30	2,472.52	144.89	0.00	11,923.85
Trusts	51,757.22	324,873.77	309,921.15	13,046.25	13,135.78	66,620.31
General	3,600.19	11,002.75	12,443.31	1,985.08	1,689.38	2,455.33
	\$ 72,323.14	\$ 367,687.00	\$ 348,000.38	\$ 19,500.96	\$ 19,500.96	\$ 92,009.76



## DEPOSIT OF MONIES

### Finding

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

- *Section 2* of the *Drop-safe Log* was not always completed when collections were removed from the safe by the school treasurer for processing.
- Deposit #468 included 17 MCRs, totaling \$9,504.09, listed on three *Drop-safe Log* pages (#12-20345, #12-20346, and #12-20347). However, one of the MCR (#468-3 for \$10) was inadvertently recorded for \$0 in the Internal Funds General Ledger (the SchoolCash System). Consequently, Deposit #468 was understated by \$10 and the money was unaccounted for.

### 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

- As required by *Bulletin #P-14051-S/CFO, Section 2 of the Log* should be filled out by the treasurer and an independent staff who accompanied the treasurer to the safe. They should jointly confirm that the listed items were removed from the safe by the treasurer for processing.
- The treasurer should verify the accuracy of monies turned in by sponsors for deposit and ensure the collections are accurately recorded in the General Ledger. Discrepancies between the amount of monies turned in, records on the *Drop Safe Log*, and their related supporting documentation should be investigated and resolved accordingly.

### Management's Response

*Concur. (1) Will be more aware to mark down whole page. (2) There was a typo when entering, bookkeeper made a note on deposit printout with plan to reconcile when bank confirmation came back, bank confirmation showed no discrepancy so she thought everything was ok.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchase records revealed that the December 15, 2014, P-Card purchase for \$151.91 was supported by a vendor's e-mail confirmation for a total purchase of \$110.39. Consequently, the school over-paid \$41.52 to the vendor.

**Recommendation**

To ensure that purchases are appropriate, disbursements and P-Card purchases should be adequately documented and supported by itemized invoices and receipts. The school should recoup the \$41.52 overpayment from the vendor.

***Management's Response***

*Concur. Additional charge was for next day shipping – did not receive invoice – will be diligent on receiving all invoices.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The sponsors for Yearbooks Sales (Account #7-0100.01) did not complete the required eLearning Fundraiser Training Course during Fiscal Years 2014 and 2015.

**Recommendation**

To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

***Management's Response***

*Concur. During the process of changing to a new bookkeeper this was overlooked AND monitored more closely now.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of school facility leasing records found that *Lease Agreement* #1005 was neither signed by the lessee nor a witness.

**Recommendation**

All *Lease Agreements* should be properly executed with all the required signatures prior to the use of facilities by lessees.

***Management's Response***

*Concur. Lessee signed draft. There was an issue with printer and was unable to print actual contract.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents revealed that the school did not maintain the required (1) *Document Custodian Assignment Register (PBSD1663)*, and (2) *Prenumbered Document Inventory Registers (PBSD0160)* for the *Drop-Safe Log*, *School Checks* and prenumbered tickets. In addition, the unused *Drop-safe Logs* were maintained by the school treasurer, who is also involved in the day-to day use of the *Logs*.

### 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)*.
- 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. Prior year forms were not located, procedures put in place to ensure this is completed.*

**Jupiter Farms Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 17400 Haynie Lane  
 Jupiter, FL 33478

Principal:  
 Fiscal Year 2015: Suzanne Matuella  
 During Audit: Suzanne Matuella

Treasurer:  
 Fiscal Year 2015: Carolyn Santos  
 During Audit: Carolyn Santos

Afterschool Site Director:  
 Fiscal Year 2015: Jenny Giambagno  
 During Audit: Jenny Giambagno

Cash and Investments

Checking	\$ 46,498.74
Investments	
	\$ 46,498.74

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	2,359.81	1,744.89	1,186.14	1,490.06	1,490.06	2,918.56
Classes	380.88	43,288.09	41,807.81	3,733.28	4,655.33	939.11
Clubs	8,666.63	6,102.93	7,889.88	4,036.12	1,382.26	9,533.54
Departments	6,535.32	5,652.71	7,713.21	0.00	0.00	4,474.82
Trusts	31,646.05	399,084.83	402,298.53	11,196.84	13,850.70	25,778.49
General	4,645.90	6,455.73	9,169.46	1,457.05	535.00	2,854.22
	\$ 54,234.59	\$ 462,329.18	\$ 470,065.03	\$ 21,913.35	\$ 21,913.35	\$ 46,498.74

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of the school's fundraising activities found that:

- A total of \$16,070 in sales revenue was deposited into the Safety Patrol DC Trip Enjoy the City Fundraiser Account (#6-4000.01). The school purchased 851 Coupon Books for this fundraiser for resale at \$20 each, which should have generated a total estimated revenue of \$17,020 (\$20 x 851). As a result, \$950 (\$17,020 - \$16,070) in estimated revenue was unaccounted for.

Moreover, the *Sales Item Inventory Report* for this fundraiser was completed with incorrect information. Specifically, the quantity of Coupon Books purchased did not agree with the purchasing records, the cost of the Coupon Books was listed as the selling price, the quantity of books sold and sales revenue were missing.

- *Sales Item Inventory Reports* were not maintained for the 2<sup>nd</sup> Grade T-Shirts (Account #3-3200.01) and the 3<sup>rd</sup> Grade T-Shirts (Account #3-3300.02) fundraisers. The same finding was noted for the 2<sup>nd</sup> Grade T-Shirts Sales in prior year (2014) audit.

### 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. 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.
- *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.

### Management's Response

*Concur. A meeting was held with Safety Patrol and Second, Third grade team leaders. Admin will make necessary team leader changes next year. This issue will also be a part of training provided for team leaders and club sponsors.*

**K.E. Cunningham/Canal Point Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 37000 Main Street  
 Canal Point, FL 33438

Principal:  
 Fiscal Year 2015: Derrick Hibler  
 During Audit: Derrick Hibler

Treasurer:  
 Fiscal Year 2015: Michele Griffin  
 During Audit: Michele Griffin

Cash and Investments

Checking	\$ 33,258.21
Investments	
	\$ 33,258.21

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,408.78	6,810.00	7,470.72	3,783.33	4,051.33	480.06
Classes	3,309.31	9,735.69	7,083.69	2,518.50	5,603.00	2,876.81
Clubs	5,319.17	5,442.39	3,600.14	7,122.47	7,122.47	7,161.42
Departments	1,050.98	2,292.35	2,429.62	479.44	853.63	539.52
Trusts	24,375.98	30,992.98	35,869.60	644.28	108.48	20,035.16
General	2,821.79	12,575.58	16,423.02	8,913.72	5,722.83	2,165.24
	\$ 38,286.01	\$ 67,848.99	\$ 72,876.79	\$ 23,461.74	\$ 23,461.74	\$ 33,258.21

## DEPOSIT OF MONIES

### **Finding**

The review of money collection process and sample *Monies Collected Reports* (MCRs) at the school revealed that two pages of the *Drop-safe Log* (#12 -79063 and #12-79064) were missing. The two missing pages should contain information for monies collected during June 4, through August 2, 2015.

### **Recommendation**

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.*”

### **Management’s Response**

*Concur. All funds were accounted for at the end of the school year. Over the summer, no funds were received by school personnel. The forms were stored in a desk in the front office. They are now more securely stored.*

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records found that the sponsors for two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Bookfair and (2) Fall Carnival.

### **Recommendation**

To ensure fundraiser sponsors have 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.

### **Management’s Response**

*Concur. Bookkeeper will more closely monitor the completion of eLearning classes related to fundraising and cash collection.*

## DOCUMENTATION FOR FIELD TRIPS

### **Finding**

The review of sample disbursements and P-Card records found that Disbursement #10285 (for \$18,060) was to pay the expenses for 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 approved only by the Principal, without the approval from the Area Superintendent and Deputy 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, Area Superintendent and Deputy Superintendent/Chief of Schools.

***Management's Response***

*Concur. Bookkeeper and Principal will more closely monitor Field Trip Approval Forms to ensure they are completed properly. Sponsor was informed of error and will complete the form correctly in the future.*



**Lake Park Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 410 3rd Street  
Lake Park, FL 33403

Principal:  
Fiscal Year 2015: Valerie Reddick-Mason  
During Audit: Valerie Reddick-Mason

Treasurer:  
Fiscal Year 2015: Patty Gomez  
During Audit: Patty Gomez

Afterschool Site Director:  
Fiscal Year 2015: Martha C. Patrick  
During Audit: Martha C. Patrick

Cash and Investments

Checking	\$ 13,750.63
Investments	
	\$ 13,750.63

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	589.96	0.00	551.29	0.00	0.00	38.67
Classes	803.51	2,023.25	2,336.09	219.40	211.40	498.67
Clubs	7,909.37	10,041.75	6,642.01	6,216.92	10,220.26	7,305.77
Departments	1,585.34	4,102.02	3,261.18	902.60	902.60	2,426.18
Trusts	3,614.28	62,713.17	66,597.13	4,131.00	422.66	3,438.66
General	620.25	3,096.98	3,961.55	894.64	607.64	42.68
	\$ 15,122.71	\$ 81,977.17	\$ 83,349.25	\$ 12,364.56	\$ 12,364.56	\$ 13,750.63

Lake Park Elementary School  
Management Letter  
Year Ended June 30, 2015

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, 2015**

Address: 710 West Ocean Avenue  
Lantana, FL 33462

Principal:  
Fiscal Year 2015: Elaine Persek  
During Audit: Janyyn Robinson

Treasurer:  
Fiscal Year 2015: Danielle McNeely  
During Audit: Danielle McNeely

Afterschool Site Director:  
Fiscal Year 2015: Denise Sasiain  
During Audit: Denise Sasiain

Cash and Investments

Checking	\$ 16,287.34
Investments	
	\$ 16,287.34

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	20.10	0.00	0.00	0.00	20.10	0.00
Classes	797.74	1,617.09	1,934.54	483.58	483.58	480.29
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	759.18	6,098.26	6,094.02	80.00	0.11	843.31
Trusts	17,039.93	150,232.00	154,585.77	9,583.07	9,756.60	12,512.63
General	799.33	7,374.10	5,836.06	2,012.62	1,898.88	2,451.11
	\$ 19,416.28	\$ 165,321.45	\$ 168,450.39	\$ 12,159.27	\$ 12,159.27	\$ 16,287.34

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraising activities found that the sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Pizza and Soda Sale, (2) Year Book Sale, and (3) Pop Corn Water Sale.

### **Recommendation**

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.

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

*Concur. This procedure will be added to the staff handbook. Also, email reminders will be sent. Next, we will run a report to see who has completed this requirement prior to a fundraiser being approved.*

## PRENUMBERED DOCUMENTS

### **Finding**

The review of controls in prenumbered documents found that the *Drop-safe Logs* were not inventory-checked monthly. Instead, the *Logs* were inventoried only twice during the fiscal year on January 28 and June 3, 2015.

### **Recommendation**

As reminded by the *Document Custodian Assignment Register (PBSD 1663)*, the District's procedures require that the *Drop-safe Log* be inventory-checked monthly through the completion of the *Prenumbered Document Inventory Register (PBSD 0160)*.

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

*Concur. The Drop-safe Log will be inventory-checked monthly through the completion of the Prenumbered Document Inventory Register (PBSD 0160).*

**Liberty Park Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 6601 Constitution Way  
Greenacres, FL 33463

Principal:  
Fiscal Year 2015: Joseph Schneider  
During Audit: Joseph Schneider

Treasurer:  
Fiscal Year 2015: Liliana Campos  
During Audit: Liliana Campos

Afterschool Site Director:  
Fiscal Year 2015: Elizabeth Negron  
During Audit: Elizabeth Negron

Cash and Investments

Checking	\$ 28,839.11
Investments	
	\$ 28,839.11

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	32.23	0.00	32.23	0.00	0.00	0.00
Classes	992.07	20,797.96	20,248.22	1,018.31	1,655.60	904.52
Clubs	1,160.98	370.00	388.08	0.00	0.00	1,142.90
Departments	4,852.53	15,433.62	17,743.39	707.66	21.25	3,229.17
Trusts	7,749.55	212,693.91	208,549.62	5,651.04	5,352.86	12,192.02
General	16,621.22	28,796.18	33,699.60	356.87	704.17	11,370.50
	\$ 31,408.58	\$ 278,091.67	\$ 280,661.14	\$ 7,733.88	\$ 7,733.88	\$ 28,839.11

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records found that the Yearbook sponsor did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015.

### **Recommendation**

To ensure staff is aware of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

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

*Concur. All others had completed training, we have now reviewed procedures that are available to monitor teacher compliance in the new eLearning Management system.*

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of sample disbursements and P-Card records found that Disbursement #17149 (for \$300) was for payment to an author of a book to visit the school on April 8, 2015. However, this visit was not supported by 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) 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. Consultant is an approved vendor, and was screened in via the Raptor system, as is our policy for any visitors or vendors. Not a systemic issue, rather clerical.*

### ***Additional Comments***

*These are our first 2 findings in the last 3 years. We had a new bookkeeper during this audit period. We have reviewed procedures and put in new systems to monitor. Both findings were clerical in nature, not systemic issues. We strive to resume our streak of no substantial findings in our next audit.*

**Lighthouse Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 4750 Dakota Drive  
Jupiter, FL 33458

Principal:  
Fiscal Year 2015: Julie Hopkins  
During Audit: Julie Hopkins

Treasurer:  
Fiscal Year 2015: Stephanie Schulz  
During Audit: Stephanie Schluz

Afterschool Site Director:  
Fiscal Year 2015: Marie Delizia  
During Audit: Marie Delizia

Cash and Investments

Checking	\$ 54,508.64
Investments	
	\$ 54,508.64

	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	34,605.00	33,150.84	2,138.47	3,592.63	0.00
Clubs	4,323.84	700.00	1,296.52	0.00	45.30	3,682.02
Departments	22,803.35	24,893.61	35,237.17	5,069.24	5,027.24	12,501.79
Trusts	42,921.50	578,444.61	588,559.21	3,034.75	4,924.29	30,917.36
General	9,686.96	14,849.06	20,475.55	9,108.07	5,761.07	7,407.47
	\$ 79,735.65	\$ 653,492.28	\$ 678,719.29	\$ 19,350.53	\$ 19,350.53	\$ 54,508.64

Lighthouse Elementary School  
Management Letter  
Year Ended June 30, 2015

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, 2015**

Address: 6701 Church Street  
Jupiter, FL 33458

Principal:  
Fiscal Year 2015: Suzanne Gibbs  
During Audit: Suzanne Gibbs

Treasurer:  
Fiscal Year 2015: Melinda McDowell  
During Audit: Melinda McDowell

Afterschool Site Director:  
Fiscal Year 2015: Cindy Williams  
During Audit: Cindy Williams

Cash and Investments

Checking	\$ 73,698.81
Investments	
	\$ 73,698.81

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	328.02	650.00	830.80	0.00	0.00	147.22
Classes	6,832.14	61,947.94	75,599.08	27,389.01	11,788.47	8,781.54
Clubs	3,111.91	29,139.55	18,600.65	2,583.21	11,752.21	4,481.81
Departments	13,987.97	33,016.32	30,856.80	9,188.28	9,188.28	16,147.49
Trusts	38,149.15	414,725.71	412,226.70	7,651.18	15,541.91	32,757.43
General	6,837.93	18,369.83	15,283.63	5,253.77	3,794.58	11,383.32
	\$ 69,247.12	\$ 557,849.35	\$ 553,397.66	\$ 52,065.45	\$ 52,065.45	\$ 73,698.81

Limestone Creek Elementary School  
Management Letter  
Year Ended June 30, 2015

This audit revealed no material instances of noncompliance.

**Lincoln Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 1160 Avenue "N"  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2015: Tracy Sims/Alicia Porter  
During Audit: Alicia Porter

Treasurer:  
Fiscal Year 2015: JoAnne Berry  
During Audit: JoAnne Berry

Afterschool Site Director:  
Fiscal Year 2015: Kenneth Anders  
During Audit: Kenneth Anders

Cash and Investments

Checking	\$ 11,007.72
Investments	
	\$ 11,007.72

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	818.05	125.00	393.50	0.00	125.00	424.55
Classes	0.00	1,581.00	1,359.75	355.75	286.50	290.50
Clubs	1,677.78	1,434.00	776.69	125.00	0.00	2,460.09
Departments	1,503.85	5,717.41	4,925.01	961.39	961.39	2,296.25
Trusts	18,618.93	42,245.27	55,234.79	2,565.25	3,366.74	4,827.92
General	1,764.35	515.60	2,303.78	781.84	49.60	708.41
	\$ 24,382.96	\$ 51,618.28	\$ 64,993.52	\$ 4,789.23	\$ 4,789.23	\$ 11,007.72

## 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 school's *FY15 End-of-the-Year Sign-Out List for Instructional Employees* mistakenly instructed staff to submit all the yellow copies of MCRs to the school treasurer, instead of the school secretary as required by District's procedures.
- A review of the *Drop Safe Logs* found that numerous deposits for the Afterschool Program collections were marked as "Not Ready." According to staff, these monies were collected by other staff when the Afterschool Site Director was absent. These collections were subsequently removed from the safe by the school treasurer and returned to the Afterschool Site Director for entering into the Afterschool System before resubmitting to the treasurer for deposit into the bank. However, no records were maintained to document that the monies were returned to the Afterschool Site Director.

### Recommendation

Money collections should be administered in accordance with *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*, "Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary..." at the year-end.
- To ensure proper fiscal accountability, written records should be maintained and acknowledged by the Afterschool Site Director when the collections were returned to him for processing.

### Management's Response

*Concur. Principal will ensure year-end document includes submission of yellow copies of MCR & computerized receipts. Afterschool Director will receive training in this area. Afterschool Director was on medical leave and program was too small to have officially trained backup personnel. Bookkeeper will ensure when funds are given back, sign in/sign out entries are logged.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that the Safety Patrol Pizza Cards Sales (Account #6-4000.04) 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, *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.

**Management's Response**

*Concur. All fundraisers will include Sales Item Inventory Report completed by sponsor. Principal and bookkeeper will ensure training has been completed by sponsor prior to fundraising date.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

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

- Disbursement #7636 (for \$396) was for payment to a consultant for an in-school presentation to students. However, this disbursement was neither supported by an invoice, receipt, nor a *School District Consultant Agreement (PBSD 1420)*.
- Disbursement #7580 (for \$4,886.24) 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,

- 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.
- 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)**.
- 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 and bookkeeper will ensure disbursements meet District guidelines. These items occurred during previous principal.*

## **AFTERSCHOOL PROGRAM**

### **Finding**

The review of the school's Afterschool and Summer Camp Programs found that the school did not collect the Professional Development Day (PDD) activity fees from students for the February 26, 2015, PDD. As a result, the school undercharged a total of \$309.26 in PDD activity fees for 47 student accounts.

### **Recommendation**

Afterschool is a self-sufficient program supported by user fees. To ensure fiscal accountability, PDD activities fees should be collected in accordance with District's guidelines.

### **Management's Response**

*Afterschool director is in the process of correctly charging accounts and collecting funds. Afterschool Program staff will support director in making corrections.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

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

- *Lease Agreement #1002* was neither approved by the Principal nor signed by the lessee and witness until four days after the use of facilities by the lessee.
- The *Certificate of Insurance* included the School District, instead of the School Board, as the additional insured party for liability insurance coverage.
- The rentals for Leases #1003 and #1002 were not collected until five to 17 days respectively after the lessees had begun using the facilities.
- The insurance premium and sales tax collected from Lease #1003 were allocated and recorded in the Rental Income and Utility Fees Accounts. As result, the school under-transmitted the \$51.75 in insurance and \$8.40 in sales tax 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 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.
- As required by **School Board Policy 7.18**, 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 protected from unwarranted liability.
- **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.”
- The portion of insurance premium and sales tax fees 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. Principal changed staff effective 2/8/2015. New staff had difficulties receiving permission across leasing platform. Access has been granted and all leases will be conducted in accordance to district policy.*

**PRENUMBERED DOCUMENTS**

**Finding**

The *Prenumbered Document Inventory Register (PBSD 0160)* was not maintained for the *Drop-safe Log*.

**Recommendation**

As reminded by the *Document Custodian Assignment Register (PBSD 1663)*, the District’s procedures require the *Drop-safe Log* be inventory-checked monthly through the completion of the *Prenumbered Document Inventory Register (PBSD 0160)*.

**Management’s Response**

*Bookkeeper will check inventory monthly of the Drop safe Logs on form 0160.*

**Additional Comments**

*I became principal with board approval on February 8, 2015. Previous principal was responsible for August 2014 – February 7, 2015.*





**Loxahatchee Groves Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 16020 Okeechobee Boulevard  
Loxahatchee, FL 33470

Principal:  
Fiscal Year 2015: Richard Myerson  
During Audit: Richard Myerson

Treasurer:  
Fiscal Year 2015: Iraida Areyzaga  
During Audit: Iraida Areyzaga

Afterschool Site Director:  
Fiscal Year 2015: Kayla Foster  
During Audit: Leslie Adams

Cash and Investments

Checking	\$ 51,776.37
Investments	
	\$ 51,776.37

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	57.25	522.64	629.89	53.24	3.24	0.00
Classes	1,998.08	16,341.95	18,481.60	5,602.71	3,437.09	2,024.05
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	2,573.30	11,847.04	12,363.80	3,258.80	2,566.61	2,748.73
Trusts	51,083.44	291,361.43	297,199.23	33,193.03	37,109.76	41,328.91
General	5,077.28	12,357.39	12,768.91	5,265.67	4,256.75	5,674.68
	\$ 60,789.35	\$ 332,430.45	\$ 341,443.43	\$ 47,373.45	\$ 47,373.45	\$ 51,776.37

## 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 putting the monies into the safe. For example, a total of \$1,470.90 for five collections were not recorded on the *Log*; instead, the information was subsequently recorded on the *Log* (page #s 12-43224, 12-43227, 12-43238, 12-43249, and 12-43309) by the school treasurer.

### Recommendation

To ensure proper fiscal accountability and comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, 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 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 complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*The entire staff will be retrained on proper Drop Safe procedures.*

### Additional Comments

*As a school this is not an ongoing issue as the amount dropped incorrectly was 0.4% of the total amount received. Also of the 5 drops done incorrectly each one was done by a different person. These were isolated incidences and this should be a notation not an audit finding.*

**Manatee Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 7001 Charleston Shores Boulevard  
Lake Worth, FL 33467

Principal:  
Fiscal Year 2015: Mary Churchill-Jones  
During Audit: Mary Churchill-Jones

Treasurer:  
Fiscal Year 2015: Lenita Phillips  
During Audit: Lenita Phillips

Afterschool Site Director:  
Fiscal Year 2015: Patricia Latona  
During Audit: Patricia Latona

Cash and Investments

Checking	\$ 100,190.17
Investments	
	\$ 100,190.17

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	610.88	16,676.44	16,312.82	2,209.62	2,209.62	974.50
Classes	66.39	68,787.07	64,424.02	18,570.79	17,633.56	5,366.67
Clubs	336.60	367.05	297.95	0.00	0.00	405.70
Departments	6,581.53	3,766.90	4,169.77	1,797.02	1,993.35	5,982.33
Trusts	50,296.08	960,989.74	928,408.71	4,992.55	6,504.88	81,364.78
General	9,333.48	33,525.82	37,534.54	15,826.21	15,054.78	6,096.19
	\$ 67,224.96	\$1,084,113.02	\$1,051,147.81	\$ 43,396.19	\$ 43,396.19	\$ 100,190.17

## DEPOSIT OF MONIES

### Finding

The review of the money collection process at the school revealed that the *Drop-safe Log* was not always completed with all the required information. Specifically, *Section 3* on each of the 14 pages of the *Log* with a total of 92 collections, were not signed by an independent staff who should verify that the collections had been recorded in the General Ledger by the school treasurer.

### Recommendation

To ensure proper fiscal accountability and comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, 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 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 complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

### Management's Response

*Concur. Verifier is aware of completing Section 3 of the Log and will double check and make sure that all items in this section are completed.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records revealed that the fundraiser sponsors for the Manatee SWIM Sales and Yearbook Sales did not take the eLearning Fundraiser Training Course during Fiscal Year 2015.

### Recommendation

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.

### Management's Response

*Concur. All fundraiser sponsors will submit the completed fundraiser training certificate when closing out fundraisers.*

**Marsh Pointe Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 12649 Ibiza Drive  
Palm Beach Gardens, FL 33418

Principal:  
Fiscal Year 2015: Maureen Werner  
During Audit: Maureen Werner

Treasurer:  
Fiscal Year 2015: Carla Adelsperger  
During Audit: Christine Grusman

Afterschool Site Director:  
Fiscal Year 2015: Erika Latson  
During Audit: Erika Latson

Cash and Investments

Checking	\$ 165,513.95
Investments	
	\$ 165,513.95

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	2,991.83	6,780.80	4,613.94	4,088.11	4,088.11	5,158.69
Classes	3,431.84	69,963.80	78,514.41	15,852.16	6,421.93	4,311.46
Clubs	11,882.50	8,106.69	5,638.92	4,270.27	4,270.27	14,350.27
Departments	5,647.92	46,090.38	37,585.05	27,266.35	26,330.99	15,088.61
Trusts	78,897.88	692,195.77	638,494.62	64,961.93	77,891.38	119,669.58
General	6,861.98	10,726.61	13,217.11	3,457.41	893.55	6,935.34
	\$ 109,713.95	\$ 833,864.05	\$ 778,064.05	\$ 119,896.23	\$ 119,896.23	\$ 165,513.95

## 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 Logs* were not always completed with the required information. For example, five collections recorded on the *Drop-safe Logs* during September 2014 and April 2015 were crossed off with no explanations. Moreover, *Section 3* of the *Logs* for two deposits (totaling \$90) were not completed with the receipt numbers and the signature of the independent staff verifier.
- MCRs were not always completed with all the required information. For example, the check numbers for five checks (totaling \$230) were not indicated on the related MCRs (#518-23 and #596-17).

### Recommendation

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

- To ensure proper fiscal accountability and comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, 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. The verifier should also complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system. Deletion of entries, if any, on the *Drop-safe Log* should be acknowledged by the responsible staff.
- 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. We have reviewed procedures with the teachers, sent out an example copy of a MCR and reviewed procedures with the Drop Safe Log. Treasurer is now sending back MCR if they are not filled out accurately.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

Marsh Pointe Elementary School  
Management Letter  
Year Ended June 30, 2015

- The sponsors for the following three fundraisers did not completed the eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Band-Choir Shirt Sales, (2) Yearbook Sales, and (3) Art Show/Frame Sales.
- The *Sales Item Inventory Reports* for the Band-Choir Shirt Sales (Account #2-1000.02) was 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 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 approved by the Principal in order to account for items given-away or missing.

**Management's Response**

*Concur. We reviewed current fundraisers and all teachers have been directed to take the online "Fundraiser Training." New Treasurer will make sure all inventory / fundraiser document will have approvals.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

Disbursement #12153 (for \$800) was for payment to an Ice Cream Vendor for the Afterschool Program. However, this disbursement did not have the following documentation from vendor as required by the District's *Special Events Guide for Insurance and Loss Prevention*:

- License from Florida Department of Health, Florida Department of Agriculture, or U.S. Department of Agriculture;
- Current Local Business Tax Receipt issued in Palm Beach County;
- Certificate of Insurance and District's *Hold Harmless Agreement*; and
- License from the Florida Department of Business and Professional Regulation.

**Recommendation**

To protect the best interests of students and the District, the school should comply with the requirements of the District's *Special Events Guide for Insurance and Loss Prevention, Appendix G, Extra Curricular Food Vendor Requirements*.

***Management's Response***

*Concur. Aftercare Director has been directed to submit all proper documentation for future special events.*

**AFTERSCHOOL PROGRAM**

**Finding**

The review of Afterschool Program records found that a \$418.88 payment from a parent was mistakenly recorded twice into the student account on January 15 and January 23, 2015. As a result, the school had over-stated \$418.88 in collection in Afterschool fees for this student.

**Recommendation**

Afterschool Program is a self-sufficient program supported by user fees. The school should recoup the \$418.88 fees, which was not yet collected, from the parent.

***Management's Response***

*Concur. Father has agreed to make payments to fulfill his financial obligation. (Father failed to sign the original check.)*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of leasing in school facilities found that:

- *Lease Agreement* #1001 was neither approved by the Principal nor signed by the lessee and a witness until 10 and 11 days after the leasehold period began.
- \$342 in utility fee collected during January through June 2015 was not transmitted to the Central Office at the end of the school year.

**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 Agreement* should be properly executed with all the required signatures prior to use of facilities by the lessee.



Marsh Pointe Elementary School  
Management Letter  
Year Ended June 30, 2015

- The portion of utility fees should be transmitted to the Central Office in accordance with the District's *Approved Rate Schedule*.

***Management's Response***

*Concur. Documents already (currently) signed.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that the school did not perform the monthly inventory-check for the *Drop-safe Logs*.

**Recommendation**

As reminded by the *Document Custodian Assignment Register (PBSD 1663)*, the District's procedures require that the *Drop-safe Log* be inventory-checked monthly through the completion of the *Prenumbered Document Inventory Register (PBSD 0160)*.

***Management's Response***

*Concur. Procedures have been reviewed and Treasurer will "double check" for accuracy I the future.*

**Meadow Park Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 956 Florida Mango Road  
West Palm Beach, FL 33406

Principal:  
Fiscal Year 2015: Pamela Arnette  
During Audit: Pamela Arnette

Treasurer:  
Fiscal Year 2015: Maria Konietzko  
During Audit: Maria Konietzko

Afterschool Site Director:  
Fiscal Year 2015: Tammy Ditmars  
During Audit: Tammy Ditmars

Cash and Investments

Checking	\$ 51,201.63
Investments	
	\$ 51,201.63

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	119.56	998.00	1,171.41	190.82	136.97	0.00
Classes	2,904.45	22,711.24	23,364.69	4,160.85	4,062.20	2,349.65
Clubs	3,692.40	18,032.86	6,982.92	12,203.43	25,199.42	1,746.35
Departments	7,628.50	15,930.85	13,693.16	4,059.16	4,216.00	9,709.35
Trusts	21,082.56	270,961.87	284,212.13	14,620.66	1,719.94	20,733.02
General	9,459.95	16,997.18	9,893.48	8,235.54	8,135.93	16,663.26
	\$ 44,887.42	\$ 345,632.00	\$ 339,317.79	\$ 43,470.46	\$ 43,470.46	\$ 51,201.63

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The fundraiser sponsor for the Mother's Day Cake Sales (Account #7-0100.03) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.

### **Recommendation**

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.*

## PRENUMBERED DOCUMENTS

### **Finding**

A review of controls in prenumbered documents revealed that the school did not maintain the required *Document Custodian Assignment Register* (PBSD 1663).

### **Recommendation**

To ensure proper fiscal accountability 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).

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

*Concur.*

**Melaleuca Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 5759 West Gun Club Road  
 West Palm Beach, FL 33415

Principal:  
 Fiscal Year 2015: Deborah Maupin  
 During Audit: Deborah Maupin

Treasurer:  
 Fiscal Year 2015: Lesia Mullet  
 During Audit: Lesia Mullet

Afterschool Site Director:  
 Fiscal Year 2015: Doreen Ulyas  
 During Audit: Judith Wilson

Cash and Investments

Checking	\$ 14,318.24
Investments	
	\$ 14,318.24

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	41.72	515.50	550.14	515.50	515.50	7.08
Classes	2,199.17	4,056.80	4,868.54	4,061.80	4,061.80	1,387.43
Clubs	2,463.43	5,710.74	3,738.72	1,923.74	4,390.74	1,968.45
Departments	3,356.49	5,149.74	6,505.19	4,643.89	4,643.89	2,001.04
Trusts	5,990.27	167,756.49	167,897.26	3,466.25	999.25	8,316.50
General	394.89	2,986.60	2,743.75	1,121.85	1,121.85	637.74
	\$ 14,445.97	\$ 186,175.87	\$ 186,303.60	\$ 15,733.03	\$ 15,733.03	\$ 14,318.24

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraising records found that the sponsor for the Washington D.C. Trip's Dominoes Pizza Card Sales fundraiser did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015.

### **Recommendation**

To ensure staff is aware of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

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

*Concur. We reviewed the documentation of teachers/sponsors who completed the Fundraiser Training Course. From now on, prior to the approval of any fundraisers, the list will be checked to ensure the sponsor has completed the training.*

**Morikami Park Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 6201 Morikami Park Road  
 Delray Beach, FL 33484

Principal:  
 Fiscal Year 2015: Stacey Quinones  
 During Audit: Stacey Quinones

Treasurer:  
 Fiscal Year 2015: Debbie Balmaceda  
 During Audit: Debbie Balmaceda

Afterschool Site Director:  
 Fiscal Year 2015: Teri Pavlus  
 During Audit: Teri Pavlus

Cash and Investments

Checking	\$ 98,411.99
Investments	
	\$ 98,411.99

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	593.00	447.69	0.00	0.31	145.00
Classes	395.79	56,039.01	53,683.76	900.08	3,297.68	353.44
Clubs	972.14	5.00	237.48	0.00	0.00	739.66
Departments	5,534.42	25,495.83	25,271.51	6,467.10	6,471.30	5,754.54
Trusts	91,384.99	705,772.76	712,623.81	15,515.96	41,849.47	58,200.43
General	38,393.83	42,547.03	76,457.56	59,336.78	30,601.16	33,218.92
	\$ 136,681.17	\$ 830,452.63	\$ 868,721.81	\$ 82,219.92	\$ 82,219.92	\$ 98,411.99

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records revealed that the sponsor for the Sales of Birthday Announcements on Marquee (Account #7-0100.04) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.

### **Recommendation**

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.

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

*Concur. This involved one staff member and the issue was discussed with her immediately that she is to comply with district policy and complete training before conducting fundraising*

**New Horizons Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 13900 Greenbriar Boulevard  
Wellington, FL 33414

Principal:  
Fiscal Year 2015: Elizabeth Cardozo  
During Audit: Elizabeth Cardozo

Treasurer:  
Fiscal Year 2015: Tina Brewster  
During Audit: Guadalupe Betancourt

Afterschool Site Director:  
Fiscal Year 2015: Jeremy Kirk  
During Audit: Tracyann Laing

Cash and Investments

Checking	\$ 105,809.35
Investments	
	\$ 105,809.35

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	884.14	0.00	150.00	7.70	7.70	734.14
Classes	8,993.87	14,937.66	14,373.46	2,594.39	2,573.49	9,578.97
Clubs	18,145.75	17,428.14	15,987.93	5,714.65	8,251.34	17,049.27
Departments	5,718.76	8,196.09	5,401.96	1,834.98	2,017.67	8,330.20
Trusts	74,490.94	281,359.90	304,139.88	7,752.43	5,043.95	54,419.44
General	17,604.53	5,972.07	7,869.27	2,134.00	2,144.00	15,697.33
	\$ 125,837.99	\$ 327,893.86	\$ 347,922.50	\$ 20,038.15	\$ 20,038.15	\$ 105,809.35



## DEPOSIT OF MONIES

### Finding

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

- The *Drop-safe Logs* were not always completed with all the needed information. For example, six sample pages (#12-13529, #12-13600, #14-07941, #14-07947, #14-07904, and #14-079049) did not contain the following information: (1) dates for the collections, (2) dates the collections were removed from the safe for processing by the school treasurer, (3) the signatures/initials of the independent staff who should accompany the treasurer to remove collections from the safe, (4) the SchoolCash.net generated receipt numbers and the verifiers' signatures/initials who should confirm that the collections had been recorded into the General Ledger by the treasurer.
- The *Drop-safe Logs* and their related MCRs indicated that a total of \$543.46 and \$15,214.11 were collected for Deposits #511 and #483 respectively. However, only \$538.46 and \$15,204.11 were recorded in the General Ledger for these two deposits. Consequently, \$15 in collections was unaccounted for.

### Recommendation

Money collections should be administered in accordance with *Internal Accounts Manual*, District's *Bulletin #P-14051-S/CFO*, and related District guidelines. Specifically,

- 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 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 complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- To ensure proper fiscal accountability, the school treasurer should verify the accuracy of monies turned in by sponsors for deposit prior to entering records into the General Ledger.

### Management's Response

*Concur. Training will be provided to staff and treasurer on District guidelines for money collections. Staff will complete mandatory Internal Accounts training regarding cash collections.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that some financials for the Dual Language T-Shirts Sales (Account #3-3701.01) and Technology Store Sales (Account #4-4110.02) were recorded in the primary accounts (Accounts #3-3701.00 and #4-4110.00 respectively) instead of the designated decimalized accounts for the respective fundraisers.

**Recommendation**

To assist the school in evaluating and monitoring the performance of individual fundraiser, a separate decimalized account should be established for each fundraiser. Fundraiser account should include all the needed and accurate financial information.

***Management's Response***

*Concur. The treasurer will meet with fundraiser sponsors to outline procedures that must be followed. Sponsors will complete the mandatory fundraising Internal Accounts training. A separate decimalized account will be established for each fundraiser.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of school facility leasing records found that \$512 in utility fee and \$153.60 in sales tax collected from seven Commercial Leases (#s 1002, 1003, 1006, 1007, 1008, 1009, and 1011) were recorded in the Rental Facilities Income Account (#6-3800). As a result, the school under paid the corresponding amounts of utility fee and sales tax to the Central Office.

**Recommendation**

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***. 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). The portions of sales tax, insurance, and utility fees should be transmitted to the Central Office accordingly.

***Management's Response***

*Concur. Our new treasurer participated in Lease training in August 2015. Leasing revenues will be allocated in the respective leasing accounts and sales tax, insurance, and utility fees will be transmitted to the District accordingly.*

***Additional comments:***

New Horizons Elementary School  
Management Letter  
Year Ended June 30, 2015

*The new treasurer and I are meeting with staff and monitoring cash collections, fundraising, and leasing to ensure all District procedures are followed.*

**North Grade Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 824 North "K" Street  
Lake Worth, FL 33460

Principal:  
Fiscal Year 2015: Nicole Patterson  
During Audit: Nicole Patterson

Treasurer:  
Fiscal Year 2015: Stephanie Dunlop  
During Audit: Stephanie Dunlop

Afterschool Site Director:  
Fiscal Year 2015: Ginger Evans  
During Audit: Ginger Evans

Cash and Investments

Checking	\$ 34,101.78
Investments	
	\$ 34,101.78

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	447.94	2,527.00	1,445.66	942.29	991.88	1,479.69
Classes	3,093.72	49,406.29	45,060.71	19,263.54	23,225.70	3,477.14
Clubs	902.64	217.50	0.00	0.00	27.63	1,092.51
Departments	1,719.44	10,877.36	11,106.00	1,818.03	1,913.72	1,395.11
Trusts	19,947.94	323,817.27	322,516.56	10,869.56	11,484.96	20,633.25
General	2,838.24	10,829.32	12,393.95	6,709.90	1,959.43	6,024.08
	\$ 28,949.92	\$ 397,674.74	\$ 392,522.88	\$ 39,603.32	\$ 39,603.32	\$ 34,101.78

## DEPOSIT OF MONIES

### **Finding**

The review of the money collection process and sampling of *Monies Collected Reports* (MCRs) and at the school found that MCR#412-5 was for the collections of T-Shirt sales, which totaled \$1,189 and included \$212 in five checks. However, the information for these five check payments were not listed on the MCR.

### **Recommendation**

Money collections should be administered in accordance with *Internal Accounts Manual*, and related District guidelines. Specifically, the payment check numbers should be noted on the "CHECK #" column of the related MCR if payments were made by checks.

### **Management's Response**

*Concur. Teacher no longer at North Grade. If we find errors in MCRs, we require the teacher to retake the training.*

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records found that the sponsor for Science Board Sales (Account #7-0100.02) did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015.

### **Recommendation**

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.

### **Management's Response**

*Concur. We have identified all sponsors of fundraisers. We set aside a PD day for them to complete the training and provide us with proof of completion.*

**Northboro Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 400 40th Street  
 West Palm Beach, FL 33407

Principal:  
 Fiscal Year 2015: Gayle Harper  
 During Audit: Gayle Harper

Treasurer:  
 Fiscal Year 2015: Marie DeSantis  
 During Audit: Marie DeSantis

Afterschool Site Director:  
 Fiscal Year 2015: Chantelle Broome  
 During Audit: Chantelle Broome

Cash and Investments

Checking	\$ 57,059.84
Investments	
	\$ 57,059.84

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,501.77	740.00	865.13	571.50	0.00	1,948.14
Classes	5,719.19	56,314.27	56,319.47	8,996.77	7,787.06	6,923.70
Clubs	82.76	0.00	0.00	0.00	0.00	82.76
Departments	7,705.51	861.60	806.10	1,207.06	64.06	8,904.01
Trusts	31,946.25	379,107.29	373,725.06	15,042.62	22,346.79	30,024.31
General	6,126.89	6,471.09	7,801.02	4,813.74	433.78	9,176.92
	\$ 53,082.37	\$ 443,494.25	\$ 439,516.78	\$ 30,631.69	\$ 30,631.69	\$ 57,059.84

## DEPOSIT OF MONIES

### Finding

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

- According to staff, *Section 2* of the *Drop-safe Log* was completed by the school treasurer and the independent verifier when the collections were removed from the safe for processing by the treasurer. However, both *Sections 2 and 3* of the *Log* were completed at the same time after the collections had been recorded into the Internal Funds General Ledger. During the audit, we observed the Principal accompanied the treasurer to open the drop-safe and removed the collections from the drop-safe for processing by the treasurer without comparing the collections to the records on the *Drop-safe Log*.
- The *Drop Safe Log* had numerous collections from the Parent Teacher Organization (PTO) and the Afterschool Program marked as “hold.” According to staff, these collections were not ready for deposit and were returned to the respective sponsors for clarification. However, no records were maintained to document that the monies were returned to and received by the sponsors.
- Monies collected were not always deposited in a timely manner. For example, \$280 collected through MCR #449-6 was retained by the sponsors for one to four working days before the money was put into the drop-safe for deposit.
- At the year-end, yellow copies of the MCRs were turned in to the school treasurer, instead of the school secretary, for filing and future references. Moreover, some sponsors did not attach the computerized *Official Receipts* to the yellow copies of the MCRs, when submitting these documents for filing.

### Recommendations

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 comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, 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. The verifier should also complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school’s accounting system.
- Monies returned to the sponsor for clarification should be noted and acknowledged (signed/initialed) by the sponsor on the *Log*; and the treasurer should ensure that the monies were returned to the treasurer for deposit after the clarification was made by the sponsor.

- *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 submitting 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. A meeting was held with staff on February 12, 2016 and March 16, 2016 to discuss audit findings and recommendations for correction. All of the above auditor recommendations will be implemented to ensure proper fiscal accountability.*

**SEGREGATION OF DUTIES**

**Finding**

During the audit fieldwork, we noted that:

- Incoming mails were sorted and distributed by someone other than the treasurer. However, those mails addressed to the treasurer were given to her for opening and processing.
- Both new and used *Drop-safe Logs* were kept by the school treasurer, instead of the school's designated custodian of the *Logs*.

**Recommendation**

To safeguard school assets through proper segregation of duties,

- Incoming mails should be received and opened by staff other than 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.
- The *Drop-safe Log* should be maintained by the school's designated document custodian for the *Log*.

***Management's Response***

*Concur. School secretary will open mail addressed to treasurer and A.P. will maintain Drop-safe log.*

**DOCUMENTATION FOR FUNDRAISERS**



Northboro Elementary School  
Management Letter  
Year Ended June 30, 2015

**Finding**

The review of sample fundraiser records found that:

- None of the fundraiser sponsors at the school completed the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- The sponsors mistakenly recorded the costs, instead of the selling prices, on the *Sales Item Inventory Reports* for the Safety Patrol Coupon Book and the Yearbook Sales. As a result, the sales revenues on the *Reports* did not agree with the revenues deposited into the Internal Funds.

**Recommendation**

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

- To ensure staff has knowledge of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activity.
- The *Sales Item Inventory Report* should be completed with accurate information in order for staff to reconcile the estimated sales revenues with the actual collections deposited into the Internal Funds.

**Management's Response**

*The Sales Item Inventory Report was inaccurately completed by mistake. Fundraiser sponsor completed the required training. All fundraiser sponsors will be required to present certificate of completion to be kept on file.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

Disbursement #11711 (for \$2,485) was for renting entertainment equipment including a Dunk Tank and other inflatables with attendants, for the May 20, 2015, Afterschool Program activities. However, the proof of liability insurance coverage provided by the vendor was \$2 million, which was less than the District's required \$3 million.

**Recommendation**

To protect the best interests of the School District, the vendor should provide the school with proof of general liability insurance coverage of at least \$3 million in accordance with District's *Special Events Guide for Insurance and Loss Prevention*.

Northboro Elementary School  
Management Letter  
Year Ended June 30, 2015

***Management's Response***

*Concur. The FY15 Special Events Guide shows conflicting information. Appendix D, pg. 26, 6 indicates required proof at least \$3 million dollars in general liability coverage must be provided. Then, Appendix F, pg. 28 indicates a required minimum of \$2 million dollars general aggregate.*

**Northmore Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 4111 North Terrace Drive  
West Palm Beach, FL 33407

Principal:  
Fiscal Year 2015: Vonda Daniels  
During Audit: Vonda Daniels

Treasurer:  
Fiscal Year 2015: Belinda Colebrook  
During Audit: Belinda Colebrook

Afterschool Site Director:  
Fiscal Year 2015: Lesley Gillins  
During Audit: Lesley Gillins

Cash and Investments

Checking	\$ 25,792.28
Investments	
	\$ 25,792.28

	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	349.50	0.00	39.00	349.50	39.00
Classes	182.09	3,510.00	3,209.80	382.51	382.51	482.29
Clubs	94.82	0.00	0.00	0.00	0.00	94.82
Departments	1,590.87	2,348.12	3,101.41	240.49	240.49	837.58
Trusts	8,574.63	76,779.21	64,638.74	3,357.35	3,046.85	21,025.60
General	1,593.40	6,715.69	4,996.10	2,821.53	2,821.53	3,312.99
	\$ 12,035.81	\$ 89,702.52	\$ 75,946.05	\$ 6,840.88	\$ 6,840.88	\$ 25,792.28

## DEPOSIT OF MONIES

### Finding

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

- A total of \$1,457.29 for 19 collections recorded on 15 pages of the *Drop-safe Logs* were indicated as “hold” or “return” in *Sections 2 and 3* of the *Logs*. However, the returns were not signed by the sponsors to acknowledge the receipt of the monies.
- Collections were not always turned-in timely. For example, \$141 collected through four MCRs (#428-11, #457-11, #457-16, and #457-17) was retained by the sponsors for one to 17 working days before the monies were put into the drop-safe for deposit.
- During the audit, we noted that incoming mails were sorted and distributed by someone other than the school treasurer. However, those mails addressed to the treasurer were opened by her for processing.
- MCRs were not always completed with all the required information, including the check number, and the source and purpose of 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,

- Deletion of records from the *Drop-safe Log* and return of monies to the sponsors for clarification should be signed and acknowledged by the sponsors.
- *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.
- To prevent and detect potential irregularities through segregation of duties, incoming mails should not be received and opened by the same staff member. 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 bookkeeper for deposit.
- 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. In the past, the treasurer has had the secretary and herself initial the Drop-safe Log. Action: Starting now, the treasurer will include the sponsor signature identifying that the sponsor has received the*

*money back for processing. Once a teacher has been identified the first time as not dropping the money in a timely manner, Administration will require them to retake the online financial training that is required by the district. Second offense: the individual will be restricted from collecting and processing funds for the remainder of the year.*

*The school procedures regarding incoming mail has always been as follow: Mail is sorted by the school's office staff and deposited into the teacher's mailbox with the exception of the treasurer and principal's sealed mail, which is given to the secretary to open and process checks or other documents.*

*The treasurer will make sure that all forms are completed prior to processing above named documents. If not completed, documents will be given back to the sponsor for completion. An additional step of checking will be completed at the end of the month with Administration when Budgets are reviewed and signed off.*

## **DOCUMENTATION FOR FUNDRAISERS**

### **Finding**

The review of sample fundraising documentation revealed that:

- The sponsors for the following three fundraisers did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Memory Book Sales, (2) Valentine's Day Dance, and (2) Safety Patrol Candy Sales.
- The school purchased 9,600 candy bars for the Safety Patrol Candy Sales (Account #6-4000.01), which should have generated a total estimated revenue of \$9,600. The *Sales Item Inventory Report* indicated that 1,980 candy bars with a total resale value of \$1,980 were either missing or given-away. According to staff, some students did not turn-in the monies or the unsold candy at the end of the fundraising event. The uncollected dollar amounts were included in the obligation list for the respective students. However, the obligation list indicated only \$1,561 for this fundraiser. Consequently \$419 (\$1,980 - \$1,561) was unaccounted for.
- The *Sales Item Inventory Report* for the Memory Book Sales (Account #7-0100.15) was not completed with any of the sales information. Without accurate sales information, there is no assurance that all sales revenues were accounted for. Moreover, the school purchased 154 copies of the Memory Books at a total cost of \$2,592.53; and collected a total revenue of \$2,040, resulting in a deficit of \$552.53 (\$2,592.53 - \$2,040).

### **Recommendation**

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

- To ensure staff has knowledge of and will be 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. 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. Administration will notify the Treasurer via email for approved staff members conducting a fundraiser as an additional check and balance to ensure that everyone is on the same page. The treasurer will meet with the teacher and present a checklist of steps to be completed, including the completion of the Fundraising District Training. The Teachers will be required to print and submit a copy of their Fundraiser Training Certificate and present it to the Treasurer. The certificate will be included in the fundraiser packet that is presented to Administration for approval.*

*The following procedure was put into place at the beginning of the 2015-2016 school year: Parents are only allowed to checkout one box of candy at a time. Once the parent has returned the money for candies sold, another box will be issued. Parents were given the option of prepaying for candy in order to take more than one box.*

*The Treasurer will ensure that the form is completed with correct numbers vs. listing as non-applicant (N/A). This will also be included in the fundraiser packet that will be presented to Administration for approval.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

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

- Three *Check Requisitions* (#9379, #9382, and #9385, totaling \$2,516.23) were not signed by the sponsors for confirmation of receipt of related goods or services.
- The Yearbook/Memory Book Printing Contract (Disbursement #9378 for \$2,592.53) was signed by the activity sponsor, instead of the Principal.

### **Recommendation**

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

- *Check Requisitions* should be signed by the sponsors to confirm the receipt of related goods and services.

- Contractual agreements should be signed by the Principal as required by ***District Administrative Directive D-6.03***, which states “*the Principal of the school is the only person to whom authority has been granted to make any purchase that in any way obligate the school for payment.*”

***Management’s Response***

*Concur. The Treasure will check to ensure that all forms are completed in its entirety, including signature of sponsor. This will be entirely double checked by Administration when reviewing and approving checks.*

*The Principal will sign off on all contracts. This directive will be included in the staff handbook at the beginning of the year. The above named contract has been corrected by resubmitting a contract signed by the principal.*

**Orchard View Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 4050 Old Germantown Road  
Delray Beach, FL 33445

Principal:  
Fiscal Year 2015: Kathleen DePuma  
During Audit: Kathleen DePuma

Treasurer:  
Fiscal Year 2015: Jenny Okoe  
During Audit: Jenny Okoe

Afterschool Site Director:  
Fiscal Year 2015: Kathy Anderson  
During Audit: Kathy Anderson

Cash and Investments

Checking	\$ 33,658.43
Investments	
	\$ 33,658.43

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	79.74	0.00	0.00	0.00	0.00	79.74
Classes	1,484.17	3,386.00	3,420.75	485.75	485.75	1,449.42
Clubs	3,830.94	0.00	941.28	371.88	0.00	3,261.54
Departments	3,117.08	576.80	220.36	0.00	0.00	3,473.52
Trusts	26,921.70	159,256.96	163,147.79	6,808.68	7,240.65	22,598.90
General	3,913.62	2,821.95	4,000.35	570.19	510.10	2,795.31
	\$ 39,347.25	\$ 166,041.71	\$ 171,730.53	\$ 8,236.50	\$ 8,236.50	\$ 33,658.43



## 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*,

- 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 the *Drop-safe Logs* are properly accounted for, the designated document custodian for the *Logs* should use the *Prenumbered Document Inventory Register (PBSD 0160)* to document the usage and monthly inventory-check of *Logs*.

### **Management's Response**

*Concur. Designated document custodians have been assigned for prenumbered forms and recorded on PBSD 1663. The attendance clerk has been assigned document custodian for Drop-safe Logs. Forms will be monitored by administration for compliance.*

**Pahokee Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 560 East Main Place  
Pahokee, FL 33476

Principal:  
Fiscal Year 2015: Karen Pyfrom Abrams  
During Audit: Karen Pyfrom Abrams

Treasurer:  
Fiscal Year 2015: Leontye Mann  
During Audit: Leontye Mann

Cash and Investments

Checking	\$ 11,044.62
Investments	
	\$ 11,044.62

	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	892.68	5,283.50	6,224.40	868.25	820.03	0.00
Clubs	2,931.18	11,914.25	11,236.84	1,640.00	1,640.00	3,608.59
Departments	668.05	0.00	157.42	0.00	0.00	510.63
Trusts	9,146.73	35,205.26	41,307.70	0.00	0.00	3,044.29
General	2,528.43	16,948.99	15,548.09	7,282.57	7,330.79	3,881.11
	\$ 16,167.07	\$ 69,352.00	\$ 74,474.45	\$ 9,790.82	\$ 9,790.82	\$ 11,044.62

## DEPOSIT OF MONIES

### Finding

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

- Deposit #403 was sent to the bank for deposit on May 22, 2015. According to the school's accounting records, this deposit contained \$752.50 in checks and \$4,832.05 in cash. However, the bank's confirmation indicated that the deposit had only \$752.50 in checks and \$4,711, with a cash shortage of \$121.05 (\$4,832.05 - \$4711.00).
- The dollar amounts for seven MCRs were not correctly recorded into the General Ledger, resulting in total cash shortage of \$55. Specifically, (1) six MCRs (#s 353-6, 359-10, 365-3, 366-13, 378-23, 381-8, and 386-28) totaling \$50 in collections were incorrectly recorded as "\$0" in the General Ledger; and (2) MCR #359-5 was for \$7 but was incorrectly recorded as \$2 in collection.
- *Section 3* on each of the three pages of the *Drop-safe Log* (#12-26698, #12-26699, and #12-26700) was not completed by the verifier to confirm that the collections had been recorded into the General Ledger by the school treasurer.

### Recommendation

Money collections should be administered in accordance with *Internal Accounts Manual*, and District guidelines. Specifically, to ensure proper fiscal accountability,

- The school treasurer should verify the accuracy of monies turned in by sponsors for deposit prior to entering the records into the General Ledger. Discrepancies between the amount of monies turned in and the amount on related collection records should be investigated and resolved accordingly.
- 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. All recommendations will be adhered to in the future.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraising documentation revealed that:

- The Staff T-Shirts Sale (Account #6-1700.01) did not have the required *Sales Item Inventory Report*. The school purchased 40 T-shirts for sales at \$20 each, which should have generated a total estimated revenue of \$800. However, only \$617 in sales revenue was deposited into the Internal Funds. As a result, \$183 (23%) in estimated revenue was unaccounted for. Moreover, the sponsor for this fundraiser did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- The FCAT T-shirts fundraiser (Account #7-0100.07) 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,

- To ensure staff has knowledge of and will be 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. The *Report* should be approved by the Principal to confirm the legitimacy for any items that were given-away.
- 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. All recaps are viewed by the bookkeeper and Principal to ensure accuracy.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Disbursement #10590 (for \$495) did not have any supporting documentation for the expense. In addition, the related *Check Requisition* was not approved by the Principal.

- Disbursement #10591 (for \$1,000) did not have a *Check Requisition*; and *Check Requisition* #10450 (for \$495) was not approved by the Principal.
- Disbursement #10448 (for \$550) was for payment of limousine rental during the September 12, 2014, FCAT Incentive Trip for students. However, the vendor was not on the District's approved vendor list.
- Three disbursements (#10436 for \$2,222.70, #10449 for \$1,500, and #10501 for \$2,709.95) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- A total of \$31.40 in sales tax was paid for seven qualified tax-exempt purchases (totaling \$554.63) from an online vendor on January 15 and 23, 2015.

### **Recommendation**

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

- School expenditures should be adequately supported by itemized invoices/receipts. The issuance of school check should be supported by the *Check Requisition* approved by the Principal. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- To ensure the safety of transportation for students and staff, only District's approved transportation companies should be used for transporting students during field trips.
- 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.
- The School District is a tax-exempt governmental entity, and should not pay sales tax for qualified purchases.

### **Management's Response**

*Concur. All purchases over \$1,000 have purchaser orders and prior approval and tax exempt items online have been reviewed and corrected for the current year.*

## **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*,

- 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. The Assistant Principal has all documents and checks and distributes monthly.*

**Palm Beach Gardens Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 10060 Riverside Drive  
Palm Beach Gardens, FL 33410

Principal:  
Fiscal Year 2015: Marie Caracuzzo  
During Audit: Marie Caracuzzo

Treasurer:  
Fiscal Year 2015: Keenan Hurlburt  
During Audit: Keenan Hurlburt

Afterschool Site Director:  
Fiscal Year 2015: Gina Evans  
During Audit: Gina Evans

**Cash and Investments**

Checking	\$ 56,230.30
Investments	
	\$ 56,230.30

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	2,137.31	318.00	500.00	0.00	0.00	1,955.31
Classes	110.27	35,167.45	33,806.70	1,347.58	2,708.25	110.35
Clubs	7,295.17	36,498.50	39,524.34	27,067.76	26,992.67	4,344.42
Departments	6,029.79	11,491.86	14,090.68	1,492.68	1,077.29	3,846.36
Trusts	26,438.93	549,238.36	530,238.02	3,674.91	3,351.85	45,762.33
General	1,261.76	1,532.21	3,129.57	547.21	0.08	211.53
	\$ 43,273.23	\$ 634,246.38	\$ 621,289.31	\$ 34,130.14	\$ 34,130.14	\$ 56,230.30

## DEPOSIT OF MONIES

### Finding

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

- Seven pages of the *Drop-safe Log* were missing. The missing pages were for collection information during January 29 through February 2, 2015 (page #s 12-00642 through #12-00645) and June 5 through August 11, 2015 (page #s 12-00724 through 12-00726).
- The *Drop-safe Log* was not always completed with all the required information. Specifically, (1) *Section 3* on numerous pages of the *Log* was not completed by an independent staff verifier who should verify that the treasurer had recorded the collections in the Internal Funds Accounting System, and (2) *Section 2* of the *Log* was not completed and signed by the treasurer and the independent staff for five collections, totaling \$6,996.44, after the collections were removed from the safe for processing by the treasurer.
- The school's *End-of-the-Year Exit Ticket* mistakenly instructed staff to submit all the yellow copies of MCRs to the school treasurer, instead of the school secretary as required by District's procedures.
- The treasurer did not always provide the *Official Receipts* generated by the Internal Funds Accounting System to the sponsors. For example, *Official Receipts* were attached to the five sample deposit packets (#779, and #792 through #795), totaling \$18,100.80.
- During the audit, we found a \$109.70 check (#399 dated April 8, 2015) filed in the disbursement records folder. This check was a donation from a recycling company which should have been deposited into the school's bank account.
- The deposit statement and list of checks for Deposit #767 (for \$5,470.69) were missing.

### 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,

- 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. The verifier should also complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.

- As required by **Bulletin #P-14051-S/CFO** and **Internal Accounts Manual**, at the year-end, “*Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary...*”; and “*Completed Drop Safes Logs must be filed sequentially in numerical order in a binder and retained for five years.*”
- *Official Receipts* generated by the Internal Funds Accounting System should be signed by the school treasurer and issued to the remitters as acknowledgment of the receipt and recording of funds in the 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 potential irregularities.
- Accounting records should be retained for a time-period consistent with the District's **Records Retention Schedule**.

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

*Concur. Reviewed procedures with the school administrative assistant and bookkeeper. Revised the “End of year” checklist and new bookkeeper refers to the internal accounts manual.*

## **SEGREGATION OF DUTIES**

### **Finding**

During the audit, we noted that incoming mails were sorted and distributed by someone other than the school treasurer, but those mails addressed to the treasurer were given to him 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 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 providing the collections to the bookkeeper for deposit.

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

*Concur. The attendance clerk opens the bookkeeper mail and deposit payments received via mail.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

- None of the fundraising sponsors completed the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- The following six fundraisers did not have the required *Fundraising Application/Recap Forms* and *Sales Item Inventory Reports*: (1) Yearbook Sales, (2) Yankee Candle Sales, (3) Safety Patrols Wear Pink, (4) Safety Patrol Green Day, (5) Patrols Rainbow Day, and (6) Patrols Ice Pops.
- The following six *Fundraising Application/Recap Forms* were not approved by the Principal: (1) Safety Patrol Pizza Cards, (2) Safety Patrol Poinsettia Sales, (3) Safety Patrol Spaghetti Dinner, (4) Safety Patrol Fall Bash, (5) Safety Patrol Pizza Sales, and (6) Safety Patrol Pajama Party. Moreover, the Recap Sections (actual sales) for five of the *Forms* were not completed by the sponsors after the fundraiser events were completed.
- Some of the expenses for the following three fundraisers were recorded in their primary accounts, instead of the designated decimalized accounts for the fundraisers: (1) Safety Patrol Coupon Books, (2) Safety Patrol Pizza Cards, and (3) Yankee Candle.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and 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.
- 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. 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. 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, or missing.

- To assist the school in evaluating and monitoring the performance of individual fundraiser, a separate decimalized account should be established for each fundraiser. Fundraiser account should include all the needed and accurate financial information.

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

*Concur. 1) Fundraiser sponsors submit certificate of completion to the secretary (Fundraising training course) 2. Fundraising application form is completed before and after each fundraiser. 3) Sales Item Inventory reports are pre-approved by principal.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

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

- Disbursements #6801, #7069 and #6998, totaling \$1,950, were for payments to three consultants. However, these three engagements did not have the required *School District Consultant Agreements (PBSD 1420)*.
- Disbursement #7085 (for \$1,424.02) did not have the Principal's approved *Check Requisition*.
- A total of \$1,457.41 in eight expenditures (three disbursements #6940, #6941, and #7069, and five P-Card purchases that occurred in December 2014) did not have any supporting documentation for the expenses.
- Two disbursements (#6643 for \$1,313.10 and #6900 for \$1,145, totaling \$2,458.10) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Voided checks were not defaced. In particular, two voided checks (#6823 and #7083, totaling \$2,551.10) had been signed by both the Principal and treasurer, but were not defaced to avoid potential processing by the bank for payment.
- Supporting documentation for five disbursements (#s 6643, 6749, 7013, 7015, 7059, totaling \$44,841.25), were not defaced (stamped "PAID") after payment in order to prevent potential duplicate payments.

### **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 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 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.
- *Purchase Order* approved by the Principal should be issued for purchase 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.
- To prevent voided check from being processed by the bank for payment, the check should be stamped with a VOID stamp and defaced by cutting out the signature section of the check.
- To avoid potential duplicated payments, supporting documentation should be defaced (stamped "PAID") after payment was made.

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

*Concur. Reviewed all procedures and findings with new bookkeeper.*

## **AFTERSCHOOL PROGRAM**

### **Finding**

The review of the school's Afterschool Program records found that the EZ Care database (the Afterschool Program's accounting system) was not accurately maintained. Specifically, \$63,567.84 in Family Central's subsidy payments for August 2014 through May 2015 were not recorded in the EZ Care database.

### **Recommendation**

To ensure the integrity of records, financial transactions, including Family Central's subsidy reimbursements, should be accurately recorded in the EZ Care database and periodically reconciled with the Internal Funds accounting records.

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

*Concur. Findings reviewed with school SACC director and district SACC director.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of controls in prenumbered documents found that:

- The school did not maintain the following records: (1) *Document Custodian Assignment Register (PBSD 1663)*, and (2) *Prenumbered Document Inventory Register (PBSD 0160)* for *Drop-Safe Logs* and *School Checks*.
- During the audit, we noted that the unused *Drop-safe Logs* were kept by the treasurer.

### **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)*. The custodian should be someone who is not involved in the day-to-day use of the form. The inventory of the forms, including the *Drop-safe Log*, should be maintained by the designated custodians
- To ensure all prenumbered documents are properly accounted for, the document custodian for the *Drop-safe Logs* and *School Checks* should use the *Prenumbered Document Inventory Register (PBSD 0160)* to confirm the periodic inventory-check of these documents.

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

*Concur. Assigned the data processor as Drop Safe Log custodian. Completed forms 0160 and 1663.*

## LEASING OF SCHOOL FACILITIES

The review of school facility leasing records revealed that

- *Lease Agreements* were not always executed with all the required signatures. Specifically, nine *Agreements* (#s 1001, 1006, 1008, 1010, 1111, 1014, 1015, 1016, and 1017) did not have the signature of a witness.
- Leasing charges were not always collected in a timely manner. Specifically,
  - As of September 24, 2015, a total of \$584.20 in leasing charges for three leases had not been collected from the lessees for their use of school facilities during Fiscal Year 2015: (1) \$212 for Lease #1004, (2) \$254.40 for Lease #1012, and (3) \$117.80 [\$349.80 contracted fees - \$232 paid by the lessee] for Lease #1013.
  - The charges for four leases (#1001, #1009, #1017, and #1007) were not collected until one to 66 days after the leasehold periods began.
- Leasing charges were not allocated and recorded in the respective accounts in accordance with District's guidelines. During the year, the school under-allocated a total of \$811.50 in utility fees and \$216 in sales tax collected from leasing activities. Moreover, a \$713.18 in school purchase was mistakenly funded by the Utilities-Facility Rental Account. Consequently, the school under-paid the Central Office a total of \$1,524.68 (\$811.50 + \$713.18) in utility fees and \$216 in sales tax.

### 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 properly executed with all the required signatures prior to the use of facilities by lessees.
- 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 \$584.20 in unpaid rentals from the three lessees (Leases #1004, #1012, and #1013).
- The portions of utility fees and sales tax should be allocated and recorded in the Facilities Rental Utilities (#6-5500) and Florida Sales Tax Payable (#6-1800) respectively in accordance

Palm Beach Gardens Elementary School  
Management Letter  
Year Ended June 30, 2015

with the District's ***Approved Rate Schedule***. These fees should be transmitted to the Central Office accordingly.

***Management's Response***

*Concur. Reviewed procedures for lease agreements and procedures with the new bookkeeper.*

***Additional comments***

*Our 2015-16 bookkeeper has transferred to a position more suitable and the SACC director has resigned. Our new bookkeeper displays exceptional organization, a willingness to follow procedures and seeks assistance when needed. Our new SACC director has 14 years' experience, transferring from another school as SACC director*

**Palm Beach Public School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 239 Coconut Road  
Palm Beach, FL 33480

Principal:  
Fiscal Year 2015: Christie Schwab  
During Audit: Christie Schwab

Treasurer:  
Fiscal Year 2015: Angie Brown  
During Audit: Angie Brown

Afterschool Site Director:  
Fiscal Year 2015: Heather Stonelake  
During Audit: Heather Stonelake

**Cash and Investments**

Checking	\$ 112,219.74
Investments	
	\$ 112,219.74

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	8.94	0.00	0.00	0.00	8.94	0.00
Classes	0.00	12,884.00	12,402.45	620.58	1,102.13	0.00
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	445.85	11,237.22	10,346.00	0.01	0.01	1,337.07
Trusts	19,109.19	350,538.76	270,607.37	11,732.22	11,941.83	98,830.97
General	3,488.86	19,046.06	11,183.32	2,329.48	1,629.38	12,051.70
	\$ 23,052.84	\$ 393,706.04	\$ 304,539.14	\$ 14,682.29	\$ 14,682.29	\$ 112,219.74



## DEPOSIT OF MONIES

### Finding

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

- During March through June 2015, a total of 15 collections recorded on the *Drop-safe Logs* did not have the dollar amounts of the deposit but with the notation “drop” or “drop not counted”. According to staff, these collections were returned to the sponsors for clarification. However, the returns were not signed off by the sponsors to acknowledge the receipt of the collections.
- *Section 1* of the *Drop-safe Log* was not always completed with all the required information. The dates of collection for 46 collections were missing during March through June 2015.
- During the audit, we noted that incoming mails were sorted and distributed by someone other than the school treasurer. However, those mails addressed to the treasurer were opened by her for processing.
- The school’s *2014-2015 End-of-Year Checklist* mistakenly instructed staff to submit all the yellow copies of MCRs to the school treasurer, instead of the school secretary as required by District’s procedures.

### 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 comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, responsible staff should complete the *Drop-safe Log* with all the required information. Monies returned to the sponsor for clarification should be noted and acknowledged (signed/initialed) by the sponsor on the *Log*.
- 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 providing the collections to the treasurer for deposit.
- 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...*” The school should update its *End-of-Year Checklist* to ensure the instructions are consistent with the District’s procedures.

### Management’s Response

*Concur. All recommendations will be implemented and reviewed. End of year checklist will be updated immediately.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

- The sponsors for the following two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Yearbooks, and (2) Student Agenda Sales.
- The *Sales Item Inventory Report* for Yearbook Sales (Account #7-0100.05) was not signed 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 staff is aware of and will be 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. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for any items that were given-away.

### Management's Response

*Concur. The yearbook fundraiser was new this year and money was collected online & at school. All recommendations will be implemented and the process will be corrected.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card records found that the purchase agreements for two disbursements (#10706 for \$2,190, and #10857 for \$1,682) were signed by the activity sponsors, instead of the Principal.

**Recommendation**

Disbursement procedures should be administered in accordance with ***Internal Accounts Manual*** and related District guidelines. Specifically, contractual agreements should be signed by the Principal as required by ***District Administrative Directive D-6.03***, which states “*the Principal of the school is the only person to whom authority has been granted to make any purchase that in any way obligate the school for payment.*”

***Management’s Response***

*Concur. I will communicate with the Safety Patrol sponsor to remind her that I must sign all fundraising agreements.*

***Additional Comments***

*All recommendations will be reviewed with the appropriate staff and a better audit will be the goal for FY16.*

**Palm Springs Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 101 Davis Road  
Palm Springs, FL 33461

Principal:  
Fiscal Year 2015: Dawn Lewis  
During Audit: Dawn Lewis

Treasurer:  
Fiscal Year 2015: Nancy Ruyle  
During Audit: Nancy Ruyle

Afterschool Site Director:  
Fiscal Year 2015: Samantha Greene  
During Audit: Samantha Greene

Cash and Investments

Checking	\$ 17,289.03
Investments	
	\$ 17,289.03

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	703.16	0.00	0.00	0.00	0.00	703.16
Classes	3,288.59	6,934.97	5,729.68	1,289.93	2,282.43	3,501.38
Clubs	7,824.49	6,652.08	6,540.16	6,061.07	11,608.50	2,388.98
Departments	2,098.14	9,863.05	9,390.52	4,962.65	4,962.65	2,570.67
Trusts	10,826.84	141,626.15	153,152.65	12,395.17	5,772.74	5,922.77
General	933.07	9,610.07	8,258.57	1,437.54	1,520.04	2,202.07
	\$ 25,674.29	\$ 174,686.32	\$ 183,071.58	\$ 26,146.36	\$ 26,146.36	\$ 17,289.03

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sample *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.
- Eight collections, totaling \$2,684.21, were listed on page #12-30216 of the *Drop-safe Log*. However, only seven collections, totaling \$2,659.21, were recorded in the General Ledger with Deposit #531. Our review of the bank records revealed that \$2,684.21 was received by the bank and credited to the school's checking account. As a result, the total collection was understated by \$25 (\$2,684.21 - \$2,659.21) in the school's General Ledger.

### 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, to ensure proper fiscal accountability,

- Responsible staff should complete the *Drop-safe Log* with all the required information in accordance with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*.
- The school treasurer should verify the accuracy of monies turned in by sponsors for deposit and the Internal Funds accounting records. The school should adjust the accounting records accordingly.

### Management's Response

*Concur. Post conference with staff implemented. Monthly log reviews with administrator.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records revealed that:

- The fundraiser sponsor for the Safety Patrol Polo Shirts Sales did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- The *Sales Item Inventory Report* for the Campus Yearbook Sales was neither signed nor approved by the Principal.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and 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 prior to conducting fundraising activity.
- *Sales Item Inventory Report* should be approved by the Principal.

### **Management's Response**

*Concur. Training provided and required by all staff. Documentation of training on file for staff requesting to participate in a fundraiser.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

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

- Disbursement #10705 (for \$3,309.32) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Supporting documents were not always defaced after the payment was made. For example, the supporting documents, totaling \$22,956.97, for five sample disbursements (#10635, #10654, #10680, #10697, and #10705) were not defaced after payment. Defacing supporting document should help prevent potential duplicate payments.

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual* and related District guidelines. Specifically,

- Pursuant to 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 avoid potential duplicated payments, supporting documentation should be defaced (stamped "PAID") after payment was made.

### **Management's Response**

*Concur. Paid stamp to be implemented at the time of payment or check written.*

## PRENUMBERED DOCUMENTS

### **Finding**

The review of controls in prenumbered documents found that the school secretary was the assigned custodian for the *Drop-safe Log*. However, the blank (unused) *Drop-safe Logs* were maintained by the school treasurer.

### **Recommendation**

To ensure fiscal accountability and prevent potential irregularities, segregation of duties should be enforced. Specifically, the school's assigned 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. Secretary will maintain the blank drop-safe logs.*

**Palmetto Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 5801 Parker Avenue  
West Palm Beach, FL 33405

Principal:  
Fiscal Year 2015: Gladys Harris  
During Audit: Gladys Harris

Treasurer:  
Fiscal Year 2015: Rhonda Diamond Ninfo  
During Audit: Rhonda Diamond Ninfo

Afterschool Site Director:  
Fiscal Year 2015: Courtney Caramanna  
During Audit: Courtney Caramanna

**Cash and Investments**

Checking	\$ 22,517.01
Investments	
	\$ 22,517.01

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Classes	0.00	2,171.75	1,739.50	609.50	833.50	208.25
Clubs	5,935.98	62,441.75	61,350.62	21,471.65	21,822.97	6,675.79
Departments	800.80	3,732.76	3,219.78	574.65	574.65	1,313.78
Trusts	11,005.07	139,918.75	136,815.11	232.03	231.78	14,108.96
General	488.65	6,134.68	6,988.17	2,170.39	1,595.32	210.23
	\$ 18,230.50	\$ 214,399.69	\$ 210,113.18	\$ 25,058.22	\$ 25,058.22	\$ 22,517.01



## DEPOSIT OF MONIES

### Finding

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

- The check numbers for three checks, totaling \$124.50, were not indicated on the related MCRs (#407-0666 and #407-0087).
- One page (#11-56369) of the *Drop-safe Logs* for Fiscal Year 2016 was missing.

### Recommendation

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

- If payments were made by checks, the check numbers should be noted on the “CHECK #” column of the MCR.
- To ensure proper fiscal accountability and as required by *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, “*Completed Drop Safes Logs must be filed sequentially in numerical order in a binder and retained for five years.*”

### Management’s Response

*Concur. Drop Safe Logs files in binder are now manned by the Data Processor. She has been trained and instructed to police and keep logs in numerical order to ascertain document is in sequence. She will report any discrepancies to the Principal for immediate action.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsors for the following four fundraisers did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Christmas Wreaths, (2) Yankee Candle, (3) Mother’s Day Cake Sale K-4, and (4) and Yankee Candle K-4.
- The Yankee Candle Sales did not have the required *Fundraising Application/Recap Form*.
- The following four fundraisers did not have the required *Sales Item Inventory Reports*: (1) Christmas Wreaths, (2) Yankee Candle, and (4) Yankee Candle K-4.

### **Recommendation**

Fundraisers should be administered in accordance with *School Board Policy 2.16* and 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*.
- To ensure proper fiscal accountability, *Sales Item Inventory Report* should be completed with accurate information for each fundraiser in order for staff to reconcile the sales revenue with the estimated revenue. Moreover, the *Report* should be approved by the Principal to confirm the legitimacy for any items that were given-away. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

### **Management's Response**

*Concur. The above mentioned individuals have been made aware of these findings. They are directed to complete an eLearning Fundraiser Training Course before the end of FY16 school year and submit course acknowledgment to Principal before the end of FY16 school year.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

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

- Disbursement #10617 (for \$500) was for payment to a consultant for performing education comedy show during the May 22, 2015, Assembly Show Event. However, this consultant was engaged without using the required *School District Consultant Agreement (PBSD 1420)*.
- Two disbursements and two P-Card purchases did not have adequate supporting documentation for the expenses:
  - Disbursement #10559 (for \$348.44) was supported by a vendor statement which indicated only the dollar amount without the details of purchases.
  - Disbursement #10625 (for \$1,111.50) was supported by an email request from the activity sponsor.
  - An \$89.66 P-Card transaction which occurred on August 26, 2014, did not have any supporting documentation for the purchase.

- A \$210.94 P-Card transaction which occurred on September 9, 2014, was supported by an online order screen-print that did not have the dollar amount of the purchase.
- Disbursement #10446 (for \$1,685.40) 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,

- 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)*.
- School expenditures should be supported by itemized invoices/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.

### **Management's Response**

*Concur. All stakeholders have been made aware of the policy and were given copies of the manual contained within the manual (Chapter 24) to review.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

According to the school's designated document custodian for *School Checks* and *Drop-safe Logs*, she did not perform monthly inventory for *School Checks* and *Drop-safe Logs* as required by *Internal Accounts Manual*. Instead, the school treasurer completed the *Prenumbered Document Inventory Registers (0160)* for these documents for the document custodian's signature at year-end.

### **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.

Palmetto Elementary School  
Management Letter  
Year Ended June 30, 2015

***Management's Response***

*Concur. School checks will be verified monthly by Assistant Principal. Drop Safe Logs custodian is now assigned to the Data Processor. They will read Chapter 27 of the Internal Accounts Manual to review proper procedures.*

**Panther Run Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 10775 Lake Worth Road  
Lake Worth, FL 33467

Principal:  
Fiscal Year 2015: Pamela Strachan  
During Audit: Pamela Strachan

Treasurer:  
Fiscal Year 2015: Kimberly Kahant  
During Audit: Kimberly Kahant

Afterschool Site Director:  
Fiscal Year 2015: Matthew Childs  
During Audit: Matthew Childs

**Cash and Investments**

Checking	\$ 60,347.57
Investments	
	\$ 60,347.57

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	979.25	975.00	1,460.77	183.55	183.55	493.48
Classes	387.79	39,298.79	39,834.01	4,037.16	3,094.76	794.97
Clubs	0.00	876.65	825.50	682.50	682.50	51.15
Departments	2,337.90	21,546.87	14,701.19	9,450.74	11,423.51	7,210.81
Trusts	17,843.13	475,926.58	461,670.14	10,908.16	8,935.22	34,072.51
General	11,019.66	39,826.67	32,179.11	13,680.95	14,623.52	17,724.65
	\$ 32,567.73	\$ 578,450.56	\$ 550,670.72	\$ 38,943.06	\$ 38,943.06	\$ 60,347.57

Panther Run Elementary School  
Management Letter  
Year Ended June 30, 2015

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, 2015**

Address: 14255 Hamlin Boulevard  
Loxahatchee, FL 33470

Principal:  
Fiscal Year 2015: John Carvelli  
During Audit: John Carvelli

Treasurer:  
Fiscal Year 2015: Beth Ann Lee Koenig  
During Audit: Ruth Simioni

Afterschool Site Director:  
Fiscal Year 2015: Patricia Vico  
During Audit: Patricia Vico

**Cash and Investments**

Checking	\$ 45,519.44
Investments	
	\$ 45,519.44

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,658.77	1,786.00	2,637.10	170.00	170.00	807.67
Classes	4,475.38	62,076.45	60,886.62	18,045.30	17,970.30	5,740.21
Clubs	1,810.93	950.10	838.54	239.00	219.99	1,941.50
Departments	3,767.73	8,318.43	8,817.34	2,115.58	2,135.58	3,248.82
Trusts	34,163.32	384,452.23	387,945.87	3,592.79	9,366.28	24,896.19
General	5,489.25	12,451.86	14,755.54	9,937.48	4,238.00	8,885.05
	\$ 51,365.38	\$ 470,035.07	\$ 475,881.01	\$ 34,100.15	\$ 34,100.15	\$ 45,519.44

## ONGOING INVESTIGATION

The 2015 audit identified numerous irregularities in monies collection at the school. On October 15, 2015, related audit conclusions were referred to the School Police for further investigation. Details of these referred conclusions will be presented in a subsequent report.

## DEPOSIT OF MONIES

### Finding

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

- Five pages (#12-43373, and #12-43379 through #12-43382) of the *Drop Safe Log* were missing.
- MCRs were not always completed with all the required information. For example, \$564 in six checks collected were not listed on the related MCRs to indicate whether the collections were made in cash or checks.
- The school did not always use the District's *Classroom Receipts* for collecting fees from parents. For example, generic receipts were used for six collections totaling \$1,040 (two for the Universal Studio fieldtrip and four for the Washington DC fieldtrip).
- The school treasurer resigned from the school on August 7, 2015. However, the combination to access the drop-safe had not been changed as of October 13, 2015.

### 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."
- 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.
- Only the District's standardized and approved receipts, such as *Classroom Receipts*, are to be used for receipting monies.
- To ensure proper fiscal accountability and safeguard school assets, the combination to the drop-safe should be updated when there are changes in personnel who have had access to the drop-safe.



***Management's Response***

*Concur. The safe combination change was completed by the District on 10/30/2015. An email to all Teachers and Staff addressing the above items was sent out on 11/4/2015 and scheduled for discussion at the 11/19/2015 faculty meeting. Receipt books were ordered.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of sample fundraiser documentation revealed that:

- The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Music String T-shirt Sales, (2) Yearbook Sales, and (3) the Mother's Day Tea Plate Sales & Brunch.
- Two fundraisers did not have the required *Fundraising Application/Recap Forms*: (1) Yearbook Sales (Account #7-0100.02), and (2) Mother's Day Tea Plate Sales & Brunch (Account #3-3400.06).
- Two fundraisers did not have the required *Sales Item Inventory Reports*: (1) Music String T-shirt Sales (Account #2-3500.01), and (2) Mother's Day Tea Plate Sales & Brunch (Account #3-3400.06).
- The *Sales Item Inventory Reports* for the Yearbook Sales (Account #7-0100.02) and Agenda Sales (Account #7-0100.01) were not approved by the Principal.
- The school purchased 88 plates for the Mother's Day Plate Sales and Brunch Fundraiser (Account #3-3400.06), which should have generated a total estimated revenue of \$880. However, only \$737 in revenue was deposited into the Internal Funds. As a result, \$143 (16%) in estimated revenue was unaccounted for.
- The school purchased 71 T-shirts for the Music Strings T-shirt Sales (Account #2-3500.01), which should have generated a total estimated revenue of \$710. However, only \$610 in revenue was deposited into the Internal Funds. As a result, \$100 (14%) 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 understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course 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 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, or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

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

*Concur. Individual teachers were met with to address the Fundraising forms. Email to staff on procedures on 11/4/2015 and 11/19/2015 agenda item at Faculty meeting. A breakdown in procedures occurred between the Treasurer and yearbook advisor.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

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

- Disbursements #11194 (for \$1,360) and #115366 (for \$823.20) were for payments of entertainment services for the Afterschool program activities. However, the related *School District Consultant Agreements (PBSD 1420)* were not approved by the Principal.
- Disbursement #11612 (for \$1,305) and a P-Card purchase (for \$39.99) occurred on August 16, 2014, did not have any supporting documentation for both expenditures.
- Three disbursements (#11221 for \$1,800, #11226 for \$1,100, and #11469 for \$1,560) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.
- Three P-Card purchases, totaling \$706, were for payments of admission fees and food during three Summer Camp fieldtrips in July 2014. However, none of these three fieldtrips had the required *Field Trip/Activity Planning Report and Approval Requests*.

### **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 interests of the school, the *School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required signatures prior to the consultant performing the services. Moreover, to protect the safety and welfare of students, the school should ensure that consultants who work on school campus have passed the required background and clearance checks as required by *Florida Statutes §1012.465*.

- Expenditures should be adequately documented and supported by itemized invoices and receipts in order to ensure the purchases are 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 Orders* should be issued for purchases in excess of \$1,000.
- Field trips should be conducted in accordance with *School Board Policy 2.40* and related District guidelines. Specifically, the *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. A breakdown in procedures between Aftercare and the Treasurer appears to have occurred. The new Treasurer received personalized training from District Internal Accounts staff to avoid these issues from occurring again, beginning in the start (September) of 2015 year.*

**LEASING OF SCHOOL FACILITIES FINDING**

**Finding**

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

- Two *Lease Agreements* (#1009 and #1015) were not signed by the lessee and a witness.
- The Principal signed three *Lease Agreements* (#1014, #1017, and #1020) as both the lessor and the witness.
- Lease #1009 had total leasing charges of \$2,120. However, the school collected only \$1,399.20 from the lessee as of June 30, 2015. The school should collect the remaining \$720.80 from the lessee.
- Leasing charges for four leases (#1004, #1009, #1014, and #1020) were not collected prior to the lessees' use of facilities. Delays ranged from two to 82 days after the lessees had begun using the 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 lessees' use of facilities. Specifically, *Lease Agreement* should be signed by the lessee, the Principal, and a third person as the witness.

- As required by **School Board Policy 7.18**, 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 \$720.80 in unpaid rentals from the lessee for Lease #1009.

**Management’s Response**

*Concur. A breakdown in procedures appears to have occurred. The new Treasurer has begun to attend leasing training in September 2015 to avoid future issues. Attempts are being made to collect funds.*

*Our current Treasurer researched Lease #1009 extensively. Her research indicated that the Tririga System generated a rental period of 50 days instead of 35 days resulting in 15 days of rental charges overstated. The actual lease total was \$1,484.*

**PRENUMBERED DOCUMENTS**

**Finding**

A review of the schools prenumbered document inventories revealed that:

- The *Document Custodian Assignment Register* (PBSD 1663) was not approved by the Principal.
- The school did not maintain the required *Prenumbered Document Inventory Registers* (PBSD 0160) for *School Checks* or *Drop-safe Logs*.

**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.
- The *Prenumbered Document Inventory Register* (PBSD 0160) should be maintained to document the periodic inventory checks of the each prenumbered form by the document custodian.

**Management’s Response**

*Concur. Form 0160, Form 1663 are in place in the lockable cabinet of the copy room. Required signatures are in place.*

**Additional comments**

*The former Treasurer abruptly resigned from her position August 6, 2015 with short notice. The Principal requested that an audit be completed to ensure a successful transition for school bookkeeper operations.*

Pierce Hammock Elementary School  
Management Letter  
Year Ended June 30, 2015

*Additionally, immediate assistance was requested from and received from School District Internal Accounts Staff*

**Pine Grove Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 400 SW 10th Street  
Delray Beach, FL 33444

Principal:  
Fiscal Year 2015: Joseph Peccia  
During Audit: Joseph Peccia

Treasurer:  
Fiscal Year 2015: Suhair Gail  
During Audit: Suhair Gail

**Cash and Investments**

Checking	\$ 25,336.15
Investments	
	\$ 25,336.15

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,121.45	0.00	415.00	0.00	0.00	706.45
Classes	698.98	11,635.25	10,410.01	3,364.27	3,719.82	1,568.67
Clubs	476.52	6,876.82	330.83	570.36	748.81	6,844.06
Departments	3,815.16	1,633.00	2,631.89	784.52	111.67	3,489.12
Trusts	17,706.84	65,952.71	72,112.25	19,624.97	19,763.82	11,408.45
General	2,284.53	411.92	1,377.05	0.00	0.00	1,319.40
	\$ 26,103.48	\$ 86,509.70	\$ 87,277.03	\$ 24,344.12	\$ 24,344.12	\$ 25,336.15

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Yearbook Sales (Account #4-6390.00), (2) Enjoy the City Coupon Books (Account #6-4001.02), and (3) Selling Pencils (Account # 3-3500.10).

### **Recommendation**

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.

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

*Concur. Bookkeeper and Confidential Secretary will review all fundraising applications to ensure sponsors have completed the required training prior to seeking the Principal's written approval.*

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of documentation for sample disbursements and P-Card purchases found that Disbursement #10557 (for \$1,944) 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. In the future the bookkeeper will review all orders over \$1,000 with the Confidential Secretary prior to making the order. Orders of \$1,000 will need written prior approval from the Principal from Confidential Secretary.*

## PRENUMBERED DOCUMENTS

### **Finding**

The review of controls in prenumbered documents found that the school treasurer performed the monthly inventory checks of the *Drop-safe Log* and completed the *Prenumbered Document Inventory Register*

Pine Grove Elementary School  
Management Letter  
Year Ended June 30, 2015

(*PBSD 0160*) for the data processor, who was the designated custodian for the *Log*, to sign and confirm that monthly inventory was completed in accordance with the District's procedures.

**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 confirm the periodic inventory check of the *Logs*.

***Management's Response***

*Concur. The bookkeeper will no longer complete the monthly inventory-checks of the Drop-safe Log. This task will be completed by the Data Processor and Confidential Secretary as per district compliance.*

***Additional comments***

*As always, PGES is appreciative of this process and the professionalism that is portrayed.*



**Pine Jog Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 6315 Summit Boulevard  
West Palm Beach, FL 33415

Principal:  
Fiscal Year 2015: Craig Sommer  
During Audit: Tarachell Thomas

Treasurer:  
Fiscal Year 2015: Damiana Hernandez  
During Audit: Damiana Hernandez

**Cash and Investments**

Checking	\$ 42,041.46
Investments	
	\$ 42,041.46

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,905.01	3,035.00	3,816.91	835.00	1,166.84	791.26
Classes	7,901.38	27,771.02	29,092.64	4,005.69	3,885.69	6,699.76
Clubs	9,554.80	14,517.75	12,877.16	6,719.96	7,146.14	10,769.21
Departments	2,616.34	11,013.95	9,753.27	2,979.63	3,049.81	3,806.84
Trusts	9,928.49	126,053.91	121,470.99	16,106.90	15,248.71	15,369.60
General	2,758.80	11,694.26	9,698.28	3,294.81	3,444.80	4,604.79
	\$ 34,664.82	\$ 194,085.89	\$ 186,709.25	\$ 33,941.99	\$ 33,941.99	\$ 42,041.46

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The sponsors for three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Student Shirt Sale, (2) Safety Patrol Candy Sales, and (3) Spirit Sticks Sales.

### **Recommendation**

To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

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

*Concur. Queries will be run weekly. Team leaders and teachers will be notified of deficiencies weekly and they will be corrected weekly. Administration will be kept abreast of all infractions to ensure timely resolution.*

**Pioneer Park Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 39500 Pioneer Park Road  
Belle Glade, FL 33430

Principal:  
Fiscal Year 2015: Pamela Buckman  
During Audit: Pamela Buckman

Treasurer:  
Fiscal Year 2015: Donna Bradshaw  
During Audit: Stefanie Beckford

**Cash and Investments**

Checking	\$ 27,552.53
Investments	
	\$ 27,552.53

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Classes	0.00	407.00	339.00	0.00	68.00	0.00
Clubs	0.00	22.00	0.00	0.00	22.00	0.00
Departments	1,268.22	702.29	822.29	0.00	366.19	782.03
Trusts	26,690.25	55,942.27	59,957.75	7,136.91	6,072.68	23,739.00
General	4,780.98	8,934.71	10,076.15	2,073.96	2,682.00	3,031.50
	\$ 32,739.45	\$ 66,008.27	\$ 71,195.19	\$ 9,210.87	\$ 9,210.87	\$ 27,552.53

Pioneer Park Elementary School  
Management Letter  
Year Ended June 30, 2015

This audit revealed no material instances of noncompliance

**Pleasant City Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 2222 Spruce Avenue  
West Palm Beach, FL 33407

Principal:  
Fiscal Year 2015: Moneek Scott-McTier  
During Audit: Valerie Jones

Treasurer:  
Fiscal Year 2015: Sylvia Buckhalter  
During Audit: Sylvia Buckhalter

**Cash and Investments**

Checking	\$ 6,668.63
Investments	
	\$ 6,668.63

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	306.71	0.00	0.00	0.00	0.00	306.71
Classes	98.24	24,779.21	24,492.86	3,671.47	3,478.47	577.59
Clubs	0.00	5,771.00	1,835.00	100.00	4,036.00	0.00
Departments	0.00	120.00	0.00	0.00	0.00	120.00
Trusts	8,168.77	46,839.49	53,647.38	8,087.18	4,344.18	5,103.88
General	980.56	1,409.29	1,829.40	0.00	0.00	560.45
	\$ 9,554.28	\$ 78,918.99	\$ 81,804.64	\$ 11,858.65	\$ 11,858.65	\$ 6,668.63

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

- The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Kindergarten T-shirt Sales, (2) 4<sup>th</sup> Grade Snack Sales, and (3) Safety Patrol Coupon Book Sales.
- The Kindergarten T-shirt Sales (Account #3-3000.04) did not have the required *Fundraising Application/Recap Form*.
- The Kindergarten T-shirt Sales (Account #3-3000.04) and Safety Patrol Jackets and Bags (Account #6-4000.00) did not have the required *Sales Item Inventory Report*.
- The school purchased 64 T-shirts for the Kindergarten T-shirt Sales (Account #3-3000.04). The T-shirts were sold at \$5 each which should have generated a total estimated revenue of \$320. However, only \$265 in revenue was deposited into the Internal Funds. As a result, \$55 (17.2%) in estimated revenue was unaccounted for.
- The Safety Patrol Jacket and Bag Sales (Account #6-4000.00) fundraiser had a total of \$747 deposited into the Internal Funds. The school purchased 41 jackets and 34 bags for resale. The jackets and bags were each sold at \$21 and \$3 respectively, which should have generated a total estimated revenue of \$963 ( $\$21 \times 41 + \$3 \times 34$ ). As a result, \$216 (22.4%) 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 understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course 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 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, or missing.
- 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***

*(Prior Principal) In response to the finding of fundraisers (1) the Kindergarten T-Shirts were never meant to be a fundraiser. These shirts were NOT being sold for profit, and were ordered based on the number of students in Kindergarten. The students were going on a field trip and for safety reason, they were going to wear the same shirt. Unfortunately, not all students paid for their shirt; thus, there was a shortage. In the event, there were not enough donations for funds in the account, I, the principal, would defray the shortage from my (Beacon/Rental internal account.) Therefore, I do not concur with the finding of fundraising application, recap form and sales inventory report or the term unaccounted \$55.00 for the Kindergarten T-Shirts.*

*In response to the finding of 4<sup>th</sup> grade snack sales, (2) and Safety Patrol Coupon Books (3) there is not an excuse for the fundraising training course that is required. I was told that all teachers had submitted an application for fundraiser and had all taken the required course. In fact, at the beginning of the year, I require the treasurer to meet with the teachers to explain the importance of effective record keeping and get teachers acclimated to taking the required fundraiser training course. Now, I understand that teachers can print a certificate as evidence of completion and I require that certificate to be attached to all fundraisers applications. Hence, I concur with this finding and I am contacting the teacher of this fundraiser to verify if she indeed didn't take this course.*

*Again, the Kindergarten T-Shirt sales were not considered a fundraiser; therefore, a sales item inventory is not needed. As far as the safety patrol jackets and bag, these items were also not meant to be a fundraiser. The jackets were ordered for the patrols, various adults who attended the trip and staff who wanted a school based jacket. Each staff paid for their own jacket and each student paid for their jacket. These items were sold at cost and not for a profit and therefore I do not concur with this finding. A profit of \$216 should not be a factor because this was not a fundraiser, and the school only collected the money that was due to the endor and not a penny more or less. As always, if a student did not pay for the jacket, I the principal, would defray the shortage by taking the money from my (Beacon, Internal Account.) Only 34 for bags were ordered because some adults or students who could not afford the trip only wanted jackets.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

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

- Disbursements #2419 (for \$1,582.46) was for paying a photography consultant for Spring pictures that did not have the required *School District Consultant Agreement (PBSD 1420)*. The same noncompliance was also noted in prior year (2014) audit.
- The *School District Consultant Agreement (PBSD 1420)* for hiring a D.J. for the 5<sup>th</sup> grade dance (Disbursement #2485 for \$375) was not completed with all the required information. Specifically, the *Agreement* did not have the dollar amount of compensation for the services. In addition, the vendor's

*Certificate of Insurance* mistakenly included the School District, instead of the School Board, as an additional insured party for liability insurance coverage.

### **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)*.
- Since the School Board is the legal entity, it should be listed as an additional insured party for liability coverage.

### **Management's Response**

*(Prior Principal) In review of the finding for disbursement #2419, I, the principal, signed an agreement and the agreement was written for the fall and spring picture sessions. Therefore, only one agreement was needed. Please refer the agreement on file to note that it indicated for Fall and Spring Pictures. As far as the 2014 year findings, regarding the photography agreement, it was signed by the assistant principal who is over pictures. The contract clearly says principal or designee. The assistant principal had signed the agreement in previous years at both school and it was never noted as an infraction or an incorrect action. However, after it was noted in 2014 internal audit, I ensured that it was signed by me, the principal. Therefore, I do not concur with this finding.*

*In review of the finding for hiring a DJ for the 5<sup>th</sup> grade Dance (1420) and disbursement 2485 I can only concur with the finding. When I called the Treasurer she indicated that she didn't fully write out the amount of 375.00 in the space provided. I will follow through line by line more accurately when reviewing the agreements.*

*As it pertains to vender insurance, it mistakenly included School District instead of School Board, I believe that these are used interchangeably and it was perhaps a clear oversight in reviewing the insurance certificate. However, I will ensure that all insurance certificate say School Board instead of School District.*

### **Additional Comments**

*I have noted the items that I concur with or do not concur respectively. I wish that the treasurer and I could have been present for the final reading, so that she and I both could have clarified some of the items presented. I aim to meet School Board guidelines and I will follow through and adhere to the findings that I concur with. I would also like to note that our treasurer spent 3.5 hours every day covering the front office as did the confidential secretary and data processor, due to not having a front office attendance or a clerk.*



Pleasant City Elementary School  
Management Letter  
Year Ended June 30, 2015

*One may say that is school based management issue and I would like it noted that we covered the needs of our front office the best as possible. We worked as a team, but everybody's job was impacted due to a lack of employees that are needed to run a school. In closing, I asking you to review the items that I do not concur with and get back with me. As always, I respect the job of your office and the auditors, but the comment section is there to share the information that perhaps was not provided or shared with the auditors. I am currently the principal of Roosevelt Middle.*

**Plumosa School of the Arts  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 2501 Seacrest Boulevard  
Delray Beach, FL 33444

Principal:  
Fiscal Year 2015: Catherine Reynolds  
During Audit: Catherine Reynolds

Treasurer:  
Fiscal Year 2015: Margarita Molina  
During Audit: Margarita Molina

Afterschool Site Director:  
Fiscal Year 2015: Loidy Jimenez  
During Audit: Loidy Jimenez

**Cash and Investments**

Checking	\$ 48,792.26
Investments	
	\$ 48,792.26

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	3,429.39	5,995.10	3,580.95	472.01	0.00	6,315.55
Classes	7,645.80	100.00	2,500.37	0.00	0.00	5,245.43
Clubs	0.00	10,881.84	7,184.68	2,860.02	3,143.15	3,414.03
Departments	1,747.49	4,616.27	2,791.99	254.08	754.09	3,071.76
Trusts	24,216.44	228,148.41	223,396.43	3,129.14	2,825.01	29,272.55
General	1,184.07	10,523.43	10,241.56	275.00	268.00	1,472.94
	\$ 38,223.19	\$ 260,265.05	\$ 249,695.98	\$ 6,990.25	\$ 6,990.25	\$ 48,792.26

## DEPOSIT OF MONIES

### Finding

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

- Monies collected were not always deposited in a timely manner. For example, \$510.30 collected through three MCRs (#491-11, #491-14, and #426-7) was retained by the sponsors for one to seven working days before the money was put into the drop-safe for deposit.
- The *Drop-safe Logs* were not always completed with all the information. Specifically, (1) the dates of collections and the dates when the school treasurer removed the collections from the safe for processing were missing on 10 sample pages of the *Log*; and (2) Section 2 of page #11-37213 of the *Log* was not signed by the treasurer and an independent staff to confirm that the four collections (totaling \$2,584.50) listed on the *Log* were removed from the safe for processing by the treasurer.
- The school's *FY15 End-of-the-Year Check-Out List* mistakenly instructed staff to submit all the yellow copies of MCRs to the school treasurer, instead of the school secretary as required by District's procedures. Moreover, some staff did not turn-in the yellow-copies of MCRs and the computerized *Official Receipts* at year-end for filing and future references.

### 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 potential irregularities.
- To ensure proper fiscal accountability and compliance with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, 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 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 complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- 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. Staff will be instructed on proper procedure on using the drop safe. Teachers will be given reminders throughout the school year on policies and protocols for collecting funds, deposits, and monies collected forms.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of sample fundraiser records found that:

- The *Ticket Sellers Report* for the Into the Woods Drama Event (Account #4-1650.01) included only total revenues collected without other information pertinent to the ticket sales. Missing information included the tickets' colors and numbers, quantities, and selling prices for the tickets. Consequently, there was insufficient information to determine whether all the ticket sales revenues were accounted for.
- The sponsors for two sample fundraisers (Italian Ice Field Day and Into the Woods) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.

**Recommendation**

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

- *Ticket Sellers Report* should be completed with accurate information for ticket sales in order for staff to reconcile the sales revenues with the estimated revenues. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.
- 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.

***Management's Response***

*Concur. Staff conducting fundraising must meet with bookkeeper prior to beginning fundraising and during fund raiser to comply with policies.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that the *Prenumbered Document Inventory Registers* (PBSD 0160) were prepared for the *School Checks* and *Drop-safe Logs* at the end of the year.

Plumosa School of the Arts  
Management Letter  
Year Ended June 30, 2015

Consequently, the monthly inventory-checks for the *Drop-safe Logs* and *School Checks* were not performed.

**Recommendation**

To ensure proper fiscal accountabilities and as required by *Chapter 27 of the Internal Accounts Manual*, *Drop-safe Logs* and *School Checks* should be inventory-checked monthly through the completion of the *Prenumbered Document Inventory Register* (PBSD 0160).

***Management's Response***

*Concur.*

**Poinciana Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1203 North Seacrest Boulevard  
Boynton Beach, FL 33435

Principal:  
Fiscal Year 2015: Lisa Lee  
During Audit: Lisa Lee

Treasurer:  
Fiscal Year 2015: Jennifer Dietrick  
During Audit: Jennifer Dietrick

Afterschool Site Director:  
Fiscal Year 2015: Gloria Gibson  
During Audit: Gloria Gibson

**Cash and Investments**

Checking	\$ 39,778.57
Investments	
	\$ 39,778.57

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	2,261.71	1,428.20	1,535.37	416.79	416.79	2,154.54
Classes	13,170.16	45,616.73	46,205.00	7,284.42	8,073.46	11,792.85
Clubs	3,359.78	6,513.50	3,577.97	700.98	572.89	6,423.40
Departments	5,354.14	10,776.83	11,968.06	25.00	28.85	4,159.06
Trusts	18,627.66	249,337.33	254,941.28	113.75	792.24	12,345.22
General	7,552.95	12,016.31	18,009.05	2,777.81	1,434.52	2,903.50
	\$ 50,326.40	\$ 325,688.90	\$ 336,236.73	\$ 11,318.75	\$ 11,318.75	\$ 39,778.57

## PRENUMBERED DOCUMENTS

### **Finding**

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

### **Recommendation**

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

### **Management's Response**

*Concur. The form indicated will be completed immediately and copied to the principal's secretary, the bookkeeper and the assistant principal.*

### **Additional Comments**

*We will also put it on our office opening checklist for beginning of the year and it will be completed for FY17 on July 20<sup>th</sup> and copied to the appropriate people.*

**Rolling Green Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 550 Miner Road  
Boynton Beach, FL 33435

Principal:  
Fiscal Year 2015: Sandra Sanchez  
During Audit: Allyson Manning

Treasurer:  
Fiscal Year 2015: Terri Boilard  
During Audit: Shi Reardon

Afterschool Site Director:  
Fiscal Year 2015: Sara Demar  
During Audit: Sara Demar

**Cash and Investments**

Checking	\$ 61,250.12
Investments	
	\$ 61,250.12

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	402.35	437.90	362.50	880.10	880.10	477.75
Classes	2,986.59	23,757.56	22,845.48	4,983.18	4,983.18	3,898.67
Clubs	1,301.99	723.15	1,213.40	1,937.44	1,292.00	1,457.18
Departments	455.62	1,385.44	491.80	834.00	1,395.44	787.82
Trusts	14,630.38	173,593.44	147,989.69	7,201.11	6,806.34	40,628.90
General	18,629.86	25,256.09	29,407.38	10,619.85	11,098.62	13,999.80
	\$ 38,406.79	\$ 225,153.58	\$ 202,310.25	\$ 26,455.68	\$ 26,455.68	\$ 61,250.12



## REFERRAL TO POLICE

The 2015 audit identified numerous irregularities in monies collection at the school. On October 8, 2015, related audit conclusions were referred to the School Police for further investigation. Details of these referred conclusions will be presented in a separate report.

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraising records found that:

- The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) General Music Recorders, (2) Patrol Candy, and (3) General T-Shirts.
- The *Sales Item Inventory Report* for the General T-Shirts (Account #7-0100.05) was not accurately completed. Specifically, columns 3 and 4 of the *Report* were recorded with the total purchase cost and revenue, instead of the quantities of items purchased and sold.

### 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 fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.
- *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. A fundraiser is not permitted to begin until proof of eLearning has been completed and provided to the school treasurer. The school Treasurer makes sure that Sales Item Inventory Report is completed and turned in.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The *School District Consultant Agreements (PBSD 1420)* for Disbursement #4212 (for \$1,155) was not approved by the Principal.

**Recommendation**

*School District Consultant Agreement (PBSD 1420)* should be properly executed with all the required signatures prior to the consultants performing services at the school.

**Management's Response**

*Concur No consultants will be permitted on campus until a District consultant Agreement has been signed and notarized, provide proper identification and a certificate of liability. Once all documents have been properly executed the Principal will then approve.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

*Lease Agreement #1007* was neither signed by the lessee and a witness, nor approved by the Principal until two days after the leasehold period began.

**Recommendation**

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**

*Concur. All leases are required to provide payment along with proper documentation, at least 10 days prior to actual lease. No lease will be permitted without all documentation.*

**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*,

Rolling Green Elementary School  
Management Letter  
Year Ended June 30, 2015

- 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).
- To ensure all prenumbered documents are properly accounted for, the document custodians for the *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 Treasurer and Document Custodian review and approve Drop-safe Log, school checks and pre-numbered document inventory monthly.*

***Additional Comments***

*We have a new Treasurer this school year. She has attended all treasurer meetings and trainings provided for new treasurers. All policies and procedures are being followed.*

**Roosevelt Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 1220 15th Street  
 West Palm Beach, FL 33401

Principal:  
 Fiscal Year 2015: Sharonda Alleyne  
 During Audit: Sharonda Alleyne

Treasurer:  
 Fiscal Year 2015: Sheereeneeca Evans  
 During Audit: Sheereeneeca Evans

Cash and Investments

Checking	\$ 21,281.96
Investments	
	\$ 21,281.96

	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	2,059.35	5,109.73	4,791.13	137.23	821.93	1,693.25
Clubs	357.00	45.00	262.00	0.00	140.00	0.00
Departments	419.82	2,268.88	2,379.71	27.66	285.52	51.13
Trusts	15,443.87	49,970.90	50,188.40	15,458.90	12,616.29	18,068.98
General	1,154.81	4,572.86	2,499.02	1,565.68	3,325.73	1,468.60
	\$ 19,434.85	\$ 61,967.37	\$ 60,120.26	\$ 17,189.47	\$ 17,189.47	\$ 21,281.96

## DEPOSIT OF MONIES

### Finding

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

- Collections were not always timely processed by the school treasurer and deposited into the bank after the monies were put in the drop-safe by sponsors. For example, \$1,234.66 collected through nine MCRs (#421-1, #421-2, #421-3, #421-4, #421-5, #440-1, #440-2, #440-3, and #440-4) was not deposited into the bank until six to 12 working days respectively after the sponsors put the monies in the safe.
- The school's *2015 End-of-Year Checklist* mistakenly instructed staff to submit all the yellow copies of MCRs to the treasurer. These documents should be submitted to the school secretary at year-end for filing and future references as required by District's procedures.

### 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 (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)* require that monies collected be deposited in the bank within five working days after collection. Delay in turning in the monies for deposit could increase the exposure to staff and 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..." The school should update its *End-of-Year Checklist* to ensure the instructions are consistent with the District's procedures.

### Management's Response

*Concur. Principal has reviewed this guideline with School Treasurer and created a drop safe log reminder on staff's calendar.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser documentation revealed that:

- The Agendas (Account #7-0100.02) and School Shirts (Account #7-0100.01) fundraisers were sponsored by the same staff member. However, this sponsor did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015. Furthermore, expenditures for the School Shirts and Agendas fundraisers were recorded in Rental-facilities (Account #6-3800.00) instead of the respective fundraiser accounts.
- The School Shirts Sales (Account #7-0100.01) had the following exceptions:
  - The *Sales Item Inventory Report* for the School Shirts (Account #7-0100.01) did not indicate the quantities of shirts sold at various prices. In addition, the *Report* was neither reviewed nor approved by the Principal because the sponsor used an outdated form, which did not have the designated space for Principal's approval.
  - As indicated by the sponsor on the *Fundraiser Application/Recap Form*, the adult shirts were sold at \$10 and the youth shirts were sold at prices ranging from \$7 to \$8 each. The *Sales Item Inventory Report* indicated that 42 adult shirts and 122 youth shirts were sold, which should have generated a total estimated revenues between \$1,274 ( $\$10 \times 42 + \$7 \times 122$ ) and \$1,396 ( $\$10 \times 42 + \$8 \times 122$ ). However, only \$1,079 in sales revenue was deposited into the Internal Funds. Consequently, between \$195 ( $\$1,274 - \$1,079$ ) and \$317 ( $\$1,396 - \$1,079$ ) 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 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.
- *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.
- To assist the school in evaluating the performance of individual fundraiser, a separate decimalized account should be established for each fundraiser. Fundraiser account should include only related revenues and expenditures.

### **Management's Response**

*Concur. After auditor's clarification of procedures, staff understands and will comply. Fundraising Training queries will be monitored for compliance.*

## **DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

The review of sample disbursements and P-Card documentation found that Disbursement #10425 (for \$320.79) was supported by a vendor's statement which indicated only the dollar amount without the details of the purchase.

**Recommendation**

School expenditures should be adequately supported by itemized invoices/receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.

***Management's Response***

*Concur. School Treasurer will ensure that itemize receipts are attached to invoice(s).*

**Rosenwald Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 1321 Martin L King Jr Boulevard  
 South Bay, FL 33493

Principal:  
 Fiscal Year 2015: Dionne Napier  
 During Audit: Dionne Napier

Treasurer:  
 Fiscal Year 2015: Valerie Walker  
 During Audit: Valerie Walker

Cash and Investments

Checking	\$ 16,897.37
Investments	
	\$ 16,897.37

	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	40.00	40.00	0.00	0.00	0.00
Classes	0.00	1,115.00	1,078.00	0.00	37.00	0.00
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	16.88	2,614.42	2,563.66	50.76	50.76	67.64
Trusts	14,223.05	36,115.94	34,031.50	5,758.69	5,953.69	16,112.49
General	1,471.90	2,356.31	3,342.97	235.00	3.00	717.24
	\$ 15,711.83	\$ 42,241.67	\$ 41,056.13	\$ 6,044.45	\$ 6,044.45	\$ 16,897.37



## DOCUMENTATION FOR FUNDRAISERS

### Finding

The *Fundraising Application/Recap Form* for the Safety Patrol Yankee Candle Sales (Account #6-4000.05.) was not approved by the Principal. Based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of \$1,876. However, only \$1,716 in sales revenues was deposited into the Internal Funds. As a result, \$160 (9%) 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 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 should assist staff in reconciling the sales revenue with the estimated revenue. All significant discrepancies between the estimated revenue and actual receipt should be investigated and resolved accordingly.

### Management's Response

*Concur. Review of procedures when conducting fundraisers addressed with staff,, individual sponsors, and bookkeeper.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- *Check Requisitions* #10193 (for \$150) and #10200 (for \$1,182.83) were not approved by the Principal, although the related checks were signed by the Principal.
- Disbursement #10201 (for \$7,310) was to pay the expenses for Safety Patrol Washington D.C. field trip. However, this Out-of-State field trip did not have the required *Field Trip/Activity Planning Report and Request Form*.

### Recommendation

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

Rosenwald Elementary School  
Management Letter  
Year Ended June 30, 2015

- School expenditures should be adequately supported by itemized invoices/receipts. The issuance of school check should be supported by a *Check Requisition* approved by the Principal.
- Field trips should be administered in accordance with ***School Board Policy 2.40***. Out-of-State field trips should be approved by the Principal, Area Superintendent and Deputy Superintendent/Chief of Schools.

***Management's Response***

*Concur. 2016 Field trip documents were submitted and approved appropriately. Conference with bookkeeper.*

**Royal Palm Beach Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 11911 Okeechobee Boulevard  
 Royal Palm Beach, FL 33411

Principal:  
 Fiscal Year 2015: Tracy Gaugler  
 During Audit: Tracy Gaugler

Treasurer:  
 Fiscal Year 2015: Angela Gadaleta  
 During Audit: Angela Gadaleta

Afterschool Site Director:  
 Fiscal Year 2015: Deborah Pagliaro  
 During Audit: Deborah Pagliaro

Cash and Investments

Checking	\$ 69,805.07
Investments	
	\$ 69,805.07

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	234.13	305.00	300.88	0.00	0.00	238.25
Classes	0.00	42,147.35	41,428.22	868.31	1,540.44	47.00
Clubs	2,102.67	12,225.11	11,553.08	645.25	642.01	2,777.94
Departments	7,087.99	12,625.65	9,878.11	3,388.35	3,388.35	9,835.53
Trusts	34,033.69	610,496.47	589,213.96	1,763.95	2,685.13	54,395.02
General	3,353.34	9,777.83	12,209.91	3,710.42	2,120.35	2,511.33
	\$ 46,811.82	\$ 687,577.41	\$ 664,584.16	\$ 10,376.28	\$ 10,376.28	\$ 69,805.07

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraising records found that the sponsors for the following two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Yearbook Sales, and (2) Safety Patrol Little Caesar.

### **Recommendation**

To ensure staff is aware of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

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

*Teachers completed this training in groups and although each did not complete the test individually, they are all knowledgeable of the content. In the future, teachers will complete the test and survey individually. Additionally, there were no findings on our audit regarding fundraising.*

**S.D. Spady Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 901 NW 3rd Street  
 Delray Beach, FL 33444

Principal:  
 Fiscal Year 2015: Rona Tata  
 During Audit: Rona Tata

Treasurer:  
 Fiscal Year 2015: Angelica Rios  
 During Audit: Angelica Rios

Afterschool Site Director:  
 Fiscal Year 2015: Maxx Benn  
 During Audit: Maxx Benn

Cash and Investments

Checking	\$ 48,035.14
Investments	
	\$ 48,035.14

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	65.00	778.00	694.80	248.00	248.00	148.20
Classes	1,843.01	30,407.53	28,039.44	229.84	2,664.15	1,776.79
Clubs	616.19	828.63	170.54	0.00	700.00	574.28
Departments	7,846.98	12,454.18	16,876.64	4,379.40	4,379.40	3,424.52
Trusts	28,959.32	457,500.64	451,242.48	26,175.57	25,240.77	36,152.28
General	3,399.16	11,889.63	11,529.23	4,512.36	2,312.85	5,959.07
	\$ 42,729.66	\$ 513,858.61	\$ 508,553.13	\$ 35,545.17	\$ 35,545.17	\$ 48,035.14

## DEPOSIT OF MONIES

### Finding

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

- A total of 31 entries on the *Drop-safe Logs* (page #s 14-03191, 14-03192, 14-03193, 14-003194, 14-03181, 14-003178, 14-03172, 14-03170, 14-03167, and 14-03166) were either noted “do not deposit” or deleted (crossed-out). According staff, those collections were returned to the sponsors for clarification. However, the items returned were not signed/initialed by the sponsors to acknowledge the receipt of the monies collected.
- *Section 1* of the *Drop-safe Log* should contain (1) the date of collection, (2) the date when the collection was put in the drop-safe, (3) the signature of the sponsor, and (4) the dollar amount of the collection. However, some sponsors did not record the deposit information on the *Log* before dropping off the monies into the safe. For example, the sponsors did not record the information on the *Log* for five sample collections, which totaled \$193. Instead, the needed information was subsequently recorded on page #14-03192 of the *Log* by another staff member when the collections were removed from the safe for processing by the school treasurer. Moreover, some sponsors did not record the date of collection on the *Log*.

### Recommendation

To ensure proper fiscal accountability and comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*,

- Deletion of records from the *Drop-safe Log* and return of monies to the sponsors for clarification should be 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 staff 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. All staff have been informed to make sure and fill out drop safe log correctly and every time. The items that are pulled from DO NOT DEPOSIT will be dated when given back to sponsor.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- The *School District Consultant Agreement (PBSD 1420)* for engaging a consultant to provide Dance Classes for the Afterschool Program had a maximum contract amount of \$7,500. However, the school paid a total of \$8,495.50 to the consultant through 10 disbursements during the year. As a result, total payment to this consultant exceeded the maximum contract amount by \$995.50.
- The *Yearbook Printing Agreement* (Disbursement #10891 for \$3,662.25) was signed by the sponsor, instead of the Principal.
- The *Field Trip / Activity Roster* for the St. Augustine field trip (Disbursement #10780 for \$6,360) was not approved by the Principal.
- The school paid a total of \$46.58 in sales tax for seven tax-exempt P-Card purchases (totaling \$905.60) during December 2014.

### Recommendation

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

- The total amount of payments to consultant should be consistent with the agreement. Addendum to the existing agreement should be executed for procuring additional service beyond the contract amount.
- Contractual agreements should be approved by the Principal as required by *District Administrative Directive D-6.03*, which states “*the Principal of the school is the only person to whom authority has been granted to make any purchase that in any way obligate the school for payment.*”
- Fieldtrips should be administered in accordance with *School Board Policy 2.40*. *Field Trip/Activity Roster (PBSD 2149)* should be approved by the Principal.
- The School District is a tax-exempt governmental entity, and should not pay sales tax for qualified purchases.

### Management's Response

*Concur. Will be careful in making sure taxes are exempt.*

## AFTERSCHOOL PROGRAM

### Finding

As of June 30, 2015, the Afterschool Program Snack Account (#6-9550) had a year-end balance of \$3,688.99. This exceeded the \$1,500 year-end maximum balance as allowed by *Afterschool Programs Operational Manual*.

### Recommendation

As required by the *Afterschool Programs Operational Manual*, charges to the students should approximate the cost of the activities and no excessive profits should be accrued to Afterschool Program accounts. Specifically, the year-end balance for the Snack Account should not exceed \$1,500. The school should monitor the revenues and expenditures of this account accordingly.

### Management's Response

*Concur. The money has been spent and we no longer use or have internal snack account (6-9550).*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that:

- The school did not maintain the *Document Custodian Assignment Register (PBSD 1663)* during Fiscal Year 2015.
- The school treasurer was the designated custodian for *School Checks*, although she was the primary user of the *School Checks*.
- *Prenumbered Document Inventory Register (PBSD 0160)* was not maintained for the *Drop-safe Logs*. In addition; the unused (blank) *Drop-safe Logs* were maintained by the treasurer.

### Recommendation

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

- 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.
- 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 *School Checks* and *Drop-safe Logs* should not be the school treasurer.



S.D. Spady Elementary School  
Management Letter  
Year Ended June 30, 2015

- To ensure all prenumbered documents are properly accounted for, the designated custodians 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. All items that should not be in the bookkeeper's office was placed in a proper area.*

**Sandpiper Shores Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 11201 Glades Road  
 Boca Raton, FL 33498

Principal:  
 Fiscal Year 2015: Rachel Capitano  
 During Audit: Stephanie Coletto

Treasurer:  
 Fiscal Year 2015: Patricia Soletti  
 During Audit: Patricia Soletti

Afterschool Site Director:  
 Fiscal Year 2015: Carolina Desnoyers  
 During Audit: Carolina Desnoyers

Cash and Investments

Checking	\$ 36,582.80
Investments	
	\$ 36,582.80

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	6,020.96	4,901.20	6,189.01	2,434.46	2,434.46	4,733.15
Classes	8,571.32	12,305.88	12,838.39	1,516.84	1,649.03	7,906.62
Clubs	1,449.84	2,307.00	2,595.44	0.00	335.29	826.11
Departments	5,529.89	22,011.19	23,413.67	1,553.05	1,680.86	3,999.60
Trusts	22,100.25	403,409.64	409,590.38	9,064.40	9,980.27	15,003.64
General	3,259.99	11,269.75	11,927.22	3,866.61	2,355.45	4,113.68
	\$ 46,932.25	\$ 456,204.66	\$ 466,554.11	\$ 18,435.36	\$ 18,435.36	\$ 36,582.80

Sandpiper Shores Elementary School  
Management Letter  
Year Ended June 30, 2015

This audit revealed no material instances of noncompliance.

**Seminole Trails Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 4075 Willows Pond Road  
West Palm Beach, FL 33417

Principal:  
Fiscal Year 2015: Judith Garrard  
During Audit: Judith Garrard

Treasurer:  
Fiscal Year 2015: Yenny Hurtado  
During Audit: Yenny Hurtado

Afterschool Site Director:  
Fiscal Year 2015: Mariela Bort  
During Audit: Mariela Bort

Cash and Investments

Checking	\$ 48,468.29
Investments	
	\$ 48,468.29

	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	7,108.41	5,253.41	4,720.16	139.79	139.79	7,641.66
Clubs	565.18	6,250.65	4,681.61	2,097.06	3,113.06	1,118.22
Departments	6,727.70	16,321.96	14,655.50	3,477.99	3,507.96	8,364.19
Trusts	35,251.94	254,133.43	264,164.69	6,841.27	6,033.74	26,028.21
General	3,638.49	5,297.79	3,858.71	898.81	660.37	5,316.01
	\$ 53,291.72	\$ 287,257.24	\$ 292,080.67	\$ 13,454.92	\$ 13,454.92	\$ 48,468.29

## AFTERSCHOOL PROGRAM

### **Finding**

As of December 7, 2015, the Summer Camp program had a total of \$6,673.74 in accounts receivable from 22 student accounts that were past due for over six months.

### **Recommendation**

Summer Camp Program is a self-sufficient programs supported by user fees. To ensure fiscal accountability, program fees should be collected in advance as required by the *Afterschool Programs Operational Manual*. The school should collect the unpaid fees from the parents.

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

*Concur. Account invoices were sent to parents' current addresses and notifications were made via phone. Deficits were entered by Data Processor in the Students' A25 screens. Parents will not be able to register students for FY16 Summer Camp until deficit amount is covered. Summer Camp fees will be collected in advance in future Summer Camp operations.*

**South Grade Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 716 South "K" Road  
 Lake Worth, FL 33460

Principal:  
 Fiscal Year 2015: Michael Riley  
 During Audit: Michael Riley

Treasurer:  
 Fiscal Year 2015: Adeline Suarez  
 During Audit: Adeline Suarez

Afterschool Site Director:  
 Fiscal Year 2015: Francheska Delgado  
 During Audit: Francheska Delgado

Cash and Investments

Checking	\$ 21,222.76
Investments	
	\$ 21,222.76

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$ 380.00	\$ 380.00	\$0.00	\$0.00	\$0.00
Music	1,591.07	1,590.00	2,677.04	104.00	104.00	504.03
Classes	1,309.85	6,294.56	3,534.22	1,426.33	3,977.96	1,518.56
Clubs	1,751.13	36.02	453.89	0.00	0.00	1,333.26
Departments	231.25	4,607.29	3,325.27	300.00	300.00	1,513.27
Trusts	9,360.89	88,781.59	85,158.17	10,889.77	9,418.47	14,455.61
General	931.29	1,208.56	1,322.15	1,080.33	0.00	1,898.03
	\$ 15,175.48	\$ 102,898.02	\$ 96,850.74	\$ 13,800.43	\$ 13,800.43	\$ 21,222.76

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The Chocolate Sale Fundraiser (Account #6-4000.12) had a total of \$1,258.50 in sales revenues deposited into the Internal Funds during the year. Based on the school's purchasing records and the *Sales Item Inventory Report* for School Year 2015, this fundraiser should have generated a total estimated revenue of \$1,408. As a result, \$149.50 (\$1,402 - \$1,258.50) in estimated revenue was unaccounted for.

Moreover, as indicated by the sponsor on the *Sales Item Inventory Report*, certain chocolate items, with total estimated resale value of \$92, were given away free-of-charge. However, no documentation was maintained for the purposes and the recipients of these give-away items.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and related District guidelines. To ensure proper fiscal accountability,

- *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.
- Items purchased with school funds and provided free-of-charge to students, staff members, or the community should follow similar requirements as specified in *Bulletin #P-12690-CAO/COO/P* for gift cards, that "schools must maintain documentation of all recipients of gift cards." Records for give-away items should include the purposes and the names of recipients.

### Management's Response

*Concur. All future fundraisers will be administered in accordance with PBCSD School Board Policy 2.16, and staff conducting fundraisers must complete prior mandatory training.*

## 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

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. All components of the required monthly inventory for the "drop safe log" will be completed and the school's confidential secretary will monitor these procedures monthly.*

**DOCUMENTATION OF DISBURSEMENTS**

**Finding**

The review of sample disbursements and P-Card records found that two P-Card purchases, totaling \$239.60, occurred during March 2015 but did not have supporting documentation for the expenses. The P-Card holder completed the *Purchasing Card Missing Receipt Reports* to document the missing receipts.

**Recommendation**

Expenditures should be adequately documented and supported by itemized invoices and receipts in order to ensure the purchases are appropriate. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.

***Management's Response***

*Concur. The school bookkeeper will train all P-Card holders in the school to always keep detailed receipts. All school employees with P-Cards will complete district mandatory training.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

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

- *Lease Agreements* #1001 and #1004 (with the same lessee) were not signed by the lessee until 135 days and 10 days respectively after the leasehold periods began. In addition, the witness' signature on *Agreement* #1004 was dated 11 days before the lessee's signature.
- The *Certificate of Insurance* for four Leases (#1001 through #1004, with the same lessee) included the school, instead of the School Board, as the certificate holder and additional insured party for liability insurance coverage.

**Recommendation**

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



South Grade Elementary School  
Management Letter  
Year Ended June 30, 2015

- 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.
- As required by **School Board Policy 7.18**, 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 protected from unwarranted liability.

***Management’s Response***

*Concur. The Guatemalan Mayan Center was a long term leasing agency at SGE, and is no longer in residence here. Future lease clients will be required to follow PBCSD School Board Policy 7.18 before occupancy.*

**South Olive Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 7101 South Olive Avenue  
 West Palm Beach, FL 33405

Principal:  
 Fiscal Year 2015: Sharon Hench  
 During Audit: Melinda Springman

Treasurer:  
 Fiscal Year 2015: Amy Campbell  
 During Audit: Amy Campbell

Afterschool Site Director:  
 Fiscal Year 2015: Jim Anstead  
 During Audit: Jim Anstead

Cash and Investments

Checking	\$ 73,384.66
Investments	
	\$ 73,384.66

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	5.42	3,941.16	2,605.24	1,032.64	1,032.64	1,341.34
Classes	4,719.06	26,617.90	24,873.62	1,192.68	1,973.13	5,682.89
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	5,401.18	18,277.15	16,822.91	390.18	615.89	6,629.71
Trusts	61,012.29	268,344.73	277,277.82	7,354.32	7,106.96	52,326.56
General	5,176.45	4,358.69	2,889.78	1,258.80	500.00	7,404.16
	\$ 76,314.40	\$ 321,539.63	\$ 324,469.37	\$ 11,228.62	\$ 11,228.62	\$ 73,384.66

## DEPOSIT OF MONIES

### Finding

The review of the money collection process at the school revealed that:

- One of the pages of the *Drop-safe Log* (#12-58970) was missing. This page should contain the collection records for April 24 through 29, 2015.
- At the year-end, some sponsors did not turn in the yellow copies of the *Monies Collected Reports* (MCRs) and the computerized receipts to the school secretary for filing and future reference.

### Recommendation

Money collections should be administered in accordance with *Internal Accounts Manual*, and District guidelines. As required by *Bulletin #P-14051-S/CFO* and *Internal Accounts Manual*,

- “*Completed Drop Safes Logs must be filed sequentially in numerical order in a binder and retained for five years.*”
- 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. 1) The Drop-safe Log sheet will not hold additional pages. 2) Staff end-of-year check-out has been updated to include receipts to secretary.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records revealed that:

- The fundraiser sponsor for the Spring Book Fair (Account #5-1700.02) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- The Shirt Sales (Account #2-3500.01) and Music Poinsettias Sales (Account #2-3500.02) fundraisers did not have the required *Sales Item Inventory Reports*.

### Recommendation

Fundraisers should be administered in accordance with *School Board Policy 2.16* and 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 prior to conducting fundraising activity.
- To ensure proper fiscal accountability, *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser in order for staff to reconcile the sales revenue with the estimated revenue. 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. Procedures have been received with staff, and treasurer will required all staff who collect money to complete training.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

Disbursements #10959 (for \$1,286.38) 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. Process corrected moving forward.*

**PRENUMBERED DOCUMENTS**

**Finding**

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

- The *Document Custodian Assignment Register* (PBSD 1663) was not approved by the Principal.
- Monthly inventory was not performed and *Prenumbered Document Inventory Register* (PBSD 0160) was not maintained for *Drop-safe Log*.

### **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 approved by the Principal and recorded on the *Document Custodian Assignment Register* (PBSD 1663).
- *Drop-safe Log* should be inventory checked monthly and documented on the *Prenumbered Document Inventory Register* (PBSD 0160).

### **Management's Response**

*Concur. We have completed the register for this year and corrected the procedures for the prenumbered document inventory register.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

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

- The dates of the lessees' and witnesses' signatures on *Lease Agreements* #1022 and #1023 were before the dates of the hardcopies of the *Agreements* generated by Tririga System. Apparently, the lessees' and witnesses' backdated their signatures on the *Agreements*.
- *Agreement* #1022 was not approved by the Principal until five days after the leasehold period began.
- Charges for Leases #1019 and #1022 were not collected prior to the use of facilities by the lessees, with delays of five and 11 days respectively.

### **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 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. Improved procedure for this year regarding leases to have lease with ample notice.*

## AFTERSCHOOL PROGRAM

### **Finding**

The Afterschool Program Snack Account (#6-9550) had a year-end balance of \$2,671.44, which exceeded the \$1,500 year-end limit as allowed by the *Afterschool Programs Operational Manual*.

### **Recommendation**

As required by the *Manual*, charges to the students should approximate the cost of the activities and no excessive profits should be accrued to Afterschool Program accounts. Year-end balance for the Snack Account should not exceed the amounts allowed by the *Manual*. The school should monitor the revenues and expenditures of these accounts accordingly.

### **Management's Response**

*Concur. Held conversation with After Care Coordinator and this fund will no longer exist.*

### **Additional Comments**

*We will work had to improve processes, procedures and organization systems moving forward.*

**Starlight Cove Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 6300 Seminole Drive  
Lantana, FL 33462

Principal:  
Fiscal Year 2015: Susan Saint John  
During Audit: Cara Hayden

Treasurer:  
Fiscal Year 2015: Tracy Tartaglia  
During Audit: Tracy Tartaglia

Afterschool Site Director:  
Fiscal Year 2015: Christian Carrera/Jennifer Trent  
During Audit: Jennifer Trent

**Cash and Investments**

Checking	\$ 34,422.97
Investments	
	\$ 34,422.97

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	36.81	0.00	0.00	0.00	0.00	36.81
Classes	2,008.43	16,375.85	15,861.90	1,354.94	1,354.94	2,522.38
Clubs	664.64	5,251.00	4,342.00	858.00	877.00	1,554.64
Departments	3,559.75	10,300.77	10,334.91	2,985.11	3,001.11	3,509.61
Trusts	23,447.41	236,868.44	234,360.05	14,219.12	14,184.06	25,990.86
General	2,206.29	12,192.08	13,589.64	2,850.97	2,851.03	808.67
	\$ 31,923.33	\$ 280,988.14	\$ 278,488.50	\$ 22,268.14	\$ 22,268.14	\$ 34,422.97

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Book Fair, (2) Yearbook Sales, and (3) 5<sup>th</sup> Grade Spring Fundraiser.

### **Recommendation**

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.

### ***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, 2015**

Address: 19400 Coral Ridge Road  
Boca Raton, FL 33498

Principal:  
Fiscal Year 2015: Alicia Steiger  
During Audit: Alicia Steiger

Treasurer:  
Fiscal Year 2015: Mary Beth Johnson  
During Audit: Mary Beth Johnson

Afterschool Site Director:  
Fiscal Year 2015: Rosanne Lasorsa  
During Audit: Rosanne Lasorsa

Cash and Investments

Checking	\$ 126,752.18
Investments	
	\$ 126,752.18

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	3.79	296.50	291.32	5.18	5.18	8.97
Classes	12,723.66	25,758.50	25,183.73	4,056.32	4,176.32	13,178.43
Clubs	270.83	1,064.00	414.00	0.00	0.00	920.83
Departments	39,200.74	31,243.23	23,605.58	16,442.88	16,442.88	46,838.39
Trusts	54,618.36	502,111.73	519,253.10	14,246.55	16,099.54	35,624.00
General	21,190.80	40,397.39	33,379.62	12,753.36	10,780.37	30,181.56
	\$ 128,008.18	\$ 600,871.35	\$ 602,127.35	\$ 47,504.29	\$ 47,504.29	\$ 126,752.18

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that the Yearbook Sales had the following exceptions:

- The sponsor for this fundraiser did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- Both the *Fundraising Application/Recap Form* and *Sale Inventory Report* were prepared by the school treasurer, instead of the activity sponsor.
- The *Sales Item Inventory Report* was neither reviewed nor approved by the Principal.
- The school purchased 460 Yearbooks for resale, 12 of them were provided to students free-of-charge and 15 remained in inventory. As a result, 433 Yearbooks were sold at \$30 each, which should have generated a total revenue of \$12,990, and the same amount was deposited into the Internal Funds. However, the *Sales Item Inventory Report* was incorrectly completed. Specifically, the *Report* indicated that all 460 Yearbooks were sold for \$12,990 (at \$28.239 each). Apparently, in order to reconcile the estimated revenue based on the actual receipt, the treasurer recorded the computed average price ( $\$12,990 \div 460 = \$28.239$ ) on the *Report*. This “force reconciliation” defeated the purpose for the *Sales Item Inventory Report*, which is to reconcile and identify potential discrepancy between the estimated revenue and the actual receipt.

### Recommendation

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

- To ensure fundraiser sponsors have 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.
- *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.

### Management’s Response

*Concur. Reviewed process in detail with staff at faculty meeting on 3/9/16. Outlined steps in weekly staff bulletin. Fundraisers will not be approved going further unless sponsors have attached certificate of completion of the eLearning course. Confidential will very through PeopleSoft.*

## SEGREGATION OF DUTIES

### **Finding**

During the audit, we noted that the school treasurer was performing incompatible duties. In addition to maintaining the Internal Funds accounting records, she also prepared some *Fundraiser Application/Recap Forms*, *Sales Item Inventory Reports*, and *Check Requisitions* for the activity sponsors to sign as the requestors.

### **Recommendation**

To ensure proper fiscal accountability and prevent potential conflict of interest, segregation of duties should be enforced at the school. Specifically, fundraising documentation and *Check Requisition Forms* should be completed by the activity sponsors.

### **Management's Response**

*Concur. Reviewed findings in detail with staff at faculty meeting on 3/9. Held meeting with office staff to ensure that recurring monthly bills have check requisition requests completed by the confidential secretary in order to prevent conflict of interest and ensure segregation of duties.*

## DOCUMENTATION FOR DISBURSEMENTS

### **Finding**

The review of sample disbursements and P-Card documentation found that Disbursement #10855 (for \$1,689) 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. Reviewed finding with bookkeeper following the discussion with the auditor. Purchase orders will accompany and be included in the required p-card documentation. Principal will closely monitor future expenditures and documentation required.*

### **Additional Comments**

*All findings will continue to be monitored with staff through a variety of methods. Individual conversations with the yearbook moderator and other staff members have already occurred to ensure staff members are aware and understand the policies and procedures that need to be followed as we move forward.*

**Sunset Palms Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 8650 Boynton Beach Boulevard  
Boynton Beach, FL 33437

Principal:  
Fiscal Year 2015: Karen Riddle  
During Audit: Karen Riddle

Treasurer:  
Fiscal Year 2015: Jenny Weinerman  
During Audit: Jenny Weinerman

Afterschool Site Director:  
Fiscal Year 2015: Sheri Baumgardner  
During Audit: Sheri Baumgardner

Cash and Investments

Checking	\$ 107,648.84
Investments	
	\$ 107,648.84

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	790.07	1,558.00	1,331.08	26.92	543.91	500.00
Classes	19,272.45	60,578.31	57,229.12	7,609.61	13,538.76	16,692.49
Clubs	520.23	0.00	140.48	0.00	0.00	379.75
Departments	8,116.74	28,408.77	23,878.09	9,531.79	9,954.37	12,224.84
Trusts	48,936.92	1,050,841.20	1,040,958.15	616.16	4,267.63	55,168.50
General	17,913.28	21,954.83	27,705.04	16,657.98	6,137.79	22,683.26
	\$ 95,549.69	\$1,163,341.11	\$1,151,241.96	\$ 34,442.46	\$ 34,442.46	\$ 107,648.84

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records found that none of the fundraiser sponsors completed the eLearning Fundraiser Training Course during Fiscal Year 2015, although some staff completed the training during previous year (Fiscal Year 2014).

### **Recommendation**

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.

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

*Concur. We will run reports to ensure that all fundraiser sponsors complete the training courses annually and remind sponsors as needed.*

**The Conservatory @ North Palm Beach School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 401 Anchorage Drive  
North Palm Beach, FL 33408

Principal:  
Fiscal Year 2015: Teresa Stoupas  
During Audit: Teresa Stoupas

Treasurer:  
Fiscal Year 2015: Sheryl Bartis  
During Audit: Michelle Testa

Afterschool Site Director:  
Fiscal Year 2015: Heather Graham  
During Audit: Allyson Goldfinger

Cash and Investments

Checking	\$ 48,634.36
Investments	
	\$ 48,634.36

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	2,505.20	17,889.50	17,929.81	1,854.67	3,376.67	942.89
Classes	0.00	0.00	1,100.00	1,337.44	0.00	237.44
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	3,698.34	8,266.62	9,038.50	2,403.33	4,138.48	1,191.31
Trusts	20,457.24	288,810.42	267,925.79	2,289.71	1,439.71	42,191.87
General	3,233.79	18,960.69	19,193.34	11,048.39	9,978.68	4,070.85
	\$ 29,894.57	\$ 333,927.23	\$ 315,187.44	\$ 18,933.54	\$ 18,933.54	\$ 48,634.36

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The staff who conducted the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Music K-6 Polos, (2) School Shirts, and (3) Windbreaker Jacket Sales.
- The School Shirts Sales (Account #7-0100.07) had a total of \$3,816 in sales revenues deposited into the Internal Funds during the year. However, based on the school's purchasing records and the *Sales Item Inventory Report*, this fundraiser should have generated a total estimated revenue of \$5,040. As a result, \$1,224 (\$5,040 - \$3,816) in estimated revenue was unaccounted for.
- The Windbreaker Jacket Sales (Account #7-0100.15) 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,

- 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. Significant discrepancies 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 legitimacy for any items that were given-away free-of-charge.

### Management's Response

Concur. 1) Sponsor reports that she took the training, remembered the process. It was completed this year, proof collected. 2) Shirts are given away to students in need, a record is now being kept of these in the area where shirts are stored. 3) Windbreakers were not sold but were given away to middle school students. It was our first year of middle school.

## DEPOSIT OF MONIES

### Finding

The review of the money collection process and sampling of *Monies Collected Reports* (MCRs) at the school found that some MCRs did not include the required information such as source of collection and the type of payment, either in cash or check. For example, the check numbers for two payments (\$92 and \$10 for a total of \$102) collected through MCRs #420-8 and #420-26 were not indicated on the related MCRs.

### 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, Internal Accounts procedures require sponsors to indicate check numbers on MCRs for all checks collected.

### Management's Response

*Concur. Our school treasurer did not report to work until 9/29/2014 and resigned due to illness on 5/5/2015. She was out ill often during the year which likely impacted her job performance. She likely did not review and return these forms to the teachers who collected funds. We have a new treasurer.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Disbursement #10826 (for \$500) and a February 18, 2015, P-Card purchase (for \$155.99) did not have any supporting documentation for the expenses.
- A February 20, 2015, P-Card transaction (for \$197.97) included the payment of \$11.19 in sales tax for a tax-exempt purchase.

### Recommendation

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



The Conservatory School @ North Palm Beach  
Management Letter  
Year Ended June 30, 2015

Specifically,

- School expenditures should be adequately supported by itemized invoices/receipts. The issuance of school check should be supported by a Principal's approved *Check Requisition*. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- The School District is a tax-exempt governmental entity, and should not pay sales tax for eligible purchases.

***Management's Response***

*Concur. Again, the treasurer was ill and resigned due to illness in May 2015. Principal reviews all paperwork and owes not sign checks without a requisition. It is believed that the treasurer may not have kept her records in good shape due to her illness, and check requisition may have been lost.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that:

- The school did not have the *Document Custodian Assignment Register (PBSD 1663)* for Fiscal Year 2015.
- The *Prenumbered Document Inventory Register (PBSD 0160)* for *Drop-safe Log* and *School Checks* did not include all the *Logs* and *Checks* issued and used during the year. Moreover, there was no records indicating the school had completed the monthly inventory-checks of the *Logs* and *Checks*.

**Recommendation**

To ensure proper fiscal accountability 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 assignments should be recorded on the *Document Custodian Assignment Register (PBSD 1663)*.
- 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

The Conservatory School @ North Palm Beach  
Management Letter  
Year Ended June 30, 2015

*Prenumbered Document Inventory Register (PBSD 0160) to confirm the periodic inventory-check of the prenumbered forms.*

***Management's Response***

*The document has been completed every year previous. The treasurer left school district employ suddenly in May. Her office was in complete disarray. It is likely that the form was misplaced. The district sent assistance from May until the end of June to review available paperwork.*

**AFTERSCHOOL PROGRAM**

**Finding**

The review of records for Afterschool and Summer Camp Programs found that, the *Afterschool Registration Form* for one of the five sample students was missing, and the Verification of Student Registration Section of the *Form* for another student was not signed by the parent/guardian.

**Recommendation**

Afterschool Program should be administered in accordance with District's guidelines and *Afterschool Programs Operational Manual*. Specifically, *Afterschool Programs Registration Forms* should be completed with the needed information and signed by the parents/guardians for all students.

***Management's Response***

*Concur. The Aftercare Program is being monitored by the district Aftercare Department. We have a new Director this year in our program and she is getting support in following all required processes.*

***Additional Comments***

*During FY15 we moved to a new facility and were without a treasurer for a number of months. This absence hurt our ability to keep paperwork and systems in order. With a new treasurer this year, we expect a smoother process with all required actions and documentation. Losing a treasurer during the critical last few weeks of the year had great impact.*

**Timber Trace Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 5200 117th Court North  
Palm Beach Gardens, FL 33418

Principal:  
Fiscal Year 2015: Kathy Pasquariello  
During Audit: Kathy Pasquariello

Treasurer:  
Fiscal Year 2015: Majorie Swisher  
During Audit: Dawn Hollandsworth

Afterschool Site Director:  
Fiscal Year 2015: Rhonda Heidie  
During Audit: Rhonda Heidie

Cash and Investments

Checking	\$ 84,878.72
Investments	
	\$ 84,878.72

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	1,139.09	1,244.04	2,206.04	( 126.81)	1.99	48.29
Classes	0.00	30,551.49	29,518.07	1,731.11	2,764.53	0.00
Clubs	9,084.35	20,149.72	16,728.17	6,726.96	12,058.77	7,174.09
Departments	10,220.69	26,635.62	26,371.51	9,131.80	7,031.47	12,585.13
Trusts	53,536.16	719,032.21	720,275.71	14,092.25	7,773.97	58,610.94
General	4,633.22	14,289.35	10,537.72	9,184.38	11,108.96	6,460.27
	\$ 78,613.51	\$ 811,902.43	\$ 805,637.22	\$ 40,739.69	\$ 40,739.69	\$ 84,878.72

## DEPOSIT OF MONIES

### **Finding**

The review of the money collection process at the school revealed that at the year-end, some sponsors did not attach the computerized receipts to the yellow copies of *Monies Collected Reports* (MCRs) when turning-in these records to the school secretary for record retention and future references.

### **Recommendation**

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. A mid-year check was done with all teachers in December. All receipts were corrected at this time.*

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraising activities found that the sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Coupon Books, (2) Music Recorders, and (3) Assignment Books and Science Boards.

### **Recommendation**

To ensure staff is aware of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

### **Management's Response**

*Concur. All teachers have completed the online training for this school year.*

**U.B. Kinsey/Palmview Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 800 11th Street  
West Palm Beach, FL 33401

Principal:  
Fiscal Year 2015: Adrienne Howard  
During Audit: Adrienne Howard

Treasurer:  
Fiscal Year 2015: Angelica Alvarez  
During Audit: Rossy Mejia

Afterschool Site Director:  
Fiscal Year 2015: Cynthia Stubbs  
During Audit: Cynthia Stubbs

Cash and Investments

Checking	\$ 39,237.62
Investments	
	\$ 39,237.62

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	13,438.46	51,565.10	44,713.16	15,497.34	14,908.80	20,878.94
Classes	2,682.42	10,152.91	10,738.16	4,159.26	4,159.26	2,097.17
Clubs	6,664.57	18,524.85	19,593.99	5,980.37	5,967.56	5,608.24
Departments	470.29	2,149.00	2,099.75	0.00	0.00	519.54
Trusts	11,362.38	183,249.27	184,991.89	13,128.28	13,856.82	8,891.22
General	2,124.28	6,613.90	7,622.86	1,935.37	1,808.18	1,242.51
	\$ 36,742.40	\$ 272,255.03	\$ 269,759.81	\$ 40,700.62	\$ 40,700.62	\$ 39,237.62

## DEPOSIT OF MONIES

### Finding

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

- Monies collected were not always deposited in a timely manner. For example, \$418.22 collected through six MCRs (#525-3, #525-6, #525-21, #567-7, #567-26, and # 533-4) was retained by the sponsors for one to two working days before the money was put into the drop-safe for deposit.
- The *Drop-safe Logs* were not always completed with all the information. Specifically, (1) *Section 2* for a \$939.82 collection listed on page #12-18463 of the *Log* was not signed by an independent staff verifier to confirm that the money was removed from the safe for processing by the school treasurer; and (2) the sponsors did not record the information for five collections (totaling \$128.30) on the *Log*, instead the information was subsequently recorded on the *Log* by the treasurer or the independent verifier when the collections were removed from the safe for processing 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,

- *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.
- To ensure proper fiscal accountability and comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, 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. All procedures will be followed according to the Internal Accounts Manuals about Deposits and Drop Safe Logs.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that:

- The sponsors for the following two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) T-Shirts Sale, and (2) Domino's Fundraiser Cards.
- The SECME T-Shirts Sales Fundraiser deposited a total of \$1,028 in sales revenues into the Internal Funds (Account #4-4500.01). However, as indicated by the sponsor on the *Sales Item Inventory Report*, 109 T-shirts were sold with a total sales revenue of \$1,090. There was no explanation for the \$62 (shortage) discrepancy between the sponsor's sales records and the actual collection deposited into the school's bank account.

### Recommendation

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

- To ensure staff has knowledge of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activity.
- *Fundraiser Recap and Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser in order for staff to reconcile the actual sales revenue with the estimated revenue. Discrepancy between the estimated revenue and actual receipt should be investigated and resolved accordingly.

### Management's Response

*Concur. Principal will ensure that all fundraiser sponsors complete the training on eLearning before starting a fundraiser.*

## AFTERSCHOOL PROGRAM

### Finding

The review of Afterschool Program records found that the EZ Care database (Afterschool Program's accounting system) did not accurately record the Family Central's subsidy reimbursements. Specifically, the \$18,076.11 in subsidy for April 2015 was not recorded in the EZ Care database; while a total of \$23,951 in subsidies for September and December 2014 were recorded in the database twice. As a result, the total subsidy reimbursement received from Family Central was under-stated by \$5,874.89.

U.B. Kinsey/Palmview Elementary School  
Management Letter  
Year Ended June 30, 2015  
**Recommendation**

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. Discrepancies, if any, should be investigated and resolved accordingly.

***Management's Response***

*Concur. Every effort will be made to ensure that Family Central subsidy reimbursements are recorded accurately.*



**Verde Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 6590 Verde Trail  
Boca Raton, FL 33433

Principal:  
Fiscal Year 2015: Seth Moldovan  
During Audit: Seth Moldovan

Treasurer:  
Fiscal Year 2015: Marie Steffes  
During Audit: Marie Steffes

Afterschool Site Director:  
Fiscal Year 2015: Jacob Lucarelli  
During Audit: Jacob Lucarelli

Cash and Investments

Checking	\$ 36,635.52
Investments	
	\$ 36,635.52

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	0.00	0.00	\$0.00	\$0.00	\$0.00	\$0.00
Classes	0.00	5,647.70	5,215.67	297.75	729.78	0.00
Clubs	712.05	23,976.48	15,298.42	9,026.84	11,479.05	6,937.90
Departments	6,276.61	12,194.23	11,874.65	5,251.14	5,251.14	6,596.19
Trusts	19,106.09	620,925.84	621,996.63	7,849.14	5,421.96	20,462.48
General	4,263.45	12,759.17	14,840.73	2,668.89	2,211.83	2,638.95
	\$ 30,358.20	\$ 675,503.42	\$ 669,226.10	\$ 25,093.76	\$ 25,093.76	\$ 36,635.52

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The sponsor for the Smencil Sales fundraiser did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015.

### **Recommendation**

To ensure staff has knowledge of and will be complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activity.

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

*Concur. Will review process in detail with staff at faculty meeting on 4/4/2016. Fundraisers will not be approved going forward unless sponsors have attached certificate of completion of eLearning course. Confidential secretary will verify through PeopleSoft.*

## AFTERSCHOOL PROGRAM

### **Finding**

Records for eight months (September 2014, and December 2014 through June 2015) of the *Family Central's Subsidy Reimbursement Reports* were missing. In addition, the subsidy reimbursement payments were not recorded in the EZ Care database (the Afterschool Program's accounting system). As a result, the Accounts Receivable balance was overstated by the subsidy payments received from Family Central.

### **Recommendation**

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

- To ensure payments from Family Central are received, its *Reimbursement Reports* should be reviewed and retained for a time-period consistent with District's *Record Retention Schedule*.
- To ensure the integrity of accounting records, financial transactions, including Family Central's subsidy reimbursements, should be accurately recorded in the EZ Care database and periodically reconciled with the Internal Funds accounting records.

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

*Concur. Reviewed findings with interim aftercare director. We are working with support staff from the Department of Aftercare to ensure all district policies and record retention is occurring. All reimbursements are being recorded into EZ Care system.*

**Washington Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 1709 West 30th Street  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2015: Sandra Edwards  
During Audit: Sandra Edwards

Treasurer:  
Fiscal Year 2015: Cynthia Kunjbehari  
During Audit: Deborah Puig

Afterschool Site Director:  
Fiscal Year 2015: Demetria White  
During Audit: Demetria White

Cash and Investments

Checking	\$ 12,160.86
Investments	
	\$ 12,160.86

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	526.72	0.00	314.39	0.00	0.00	212.33
Classes	770.77	420.00	779.95	289.18	342.82	357.18
Clubs	1,722.19	21,760.27	23,185.89	8,337.66	8,284.02	350.21
Departments	1,271.71	1,123.11	1,081.22	352.54	599.85	1,066.29
Trusts	10,166.28	48,071.23	48,683.67	767.50	767.50	9,553.84
General	1,208.77	618.19	1,453.26	247.31	0.00	621.01
	\$ 15,666.44	\$ 71,992.80	\$ 75,498.38	\$ 9,994.19	\$ 9,994.19	\$ 12,160.86

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of sample fundraiser documentation found that the *Sales Item Inventory Reports* for the following two fundraisers were not approved by the Principal: (1) Media Club Snack Sale (Account #4-0475.01), and (2) PE Sports Cup Sale (Account # 5-1900.01).

### **Recommendation**

*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. Moreover, the *Sales Item Inventory Report* should be approved by the Principal in order to confirm the legitimacy for any items that were given-away free-of-charge.

### **Management's Response**

*Concur.*

## AFTERSCHOOL PROGRAM

### **Finding**

The review of Afterschool Program records found that the child custody section of the *Registration Form* for one of the five sample students was not completed with any of the required information.

### **Recommendation**

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

### **Management's Response**

*Concur.*

## PRENUMBERED DOCUMENTS

### **Finding**

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

Washington Elementary School  
Management Letter  
Year Ended June 30, 2015

**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).

***Management's Response***

*Concur.*

**Waters Edge Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 21601 Shorewind Drive  
Boca Raton, FL 33428

Principal:  
Fiscal Year 2015: Dianne Rivelli-Schreiber  
During Audit: Dianne Rivelli-Schreiber

Treasurer:  
Fiscal Year 2015: Eileen Cuffari  
During Audit: Eileen Cuffari

Afterschool Site Director:  
Fiscal Year 2015: Marie Schonger  
During Audit: Marie Schonger

Cash and Investments

Checking	\$ 46,781.07
Investments	
	\$ 46,781.07

	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	757.00	753.95	0.00	3.05	0.00
Classes	0.00	68,434.96	64,990.22	1,051.39	4,496.13	0.00
Clubs	0.00	370.00	360.92	0.00	9.08	0.00
Departments	1,150.00	21,445.38	17,725.53	11,263.19	12,070.25	4,062.79
Trusts	18,347.32	649,109.09	637,210.24	9,514.84	11,981.22	27,779.79
General	23,335.52	38,325.27	53,452.61	19,350.10	12,619.79	14,938.49
	\$ 42,832.84	\$ 778,441.70	\$ 774,493.47	\$ 41,179.52	\$ 41,179.52	\$ 46,781.07

Waters Edge Elementary School  
Management Letter  
Year Ended June 30, 2015

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, 2015**

Address: 13000 Paddock Drive  
Wellington, FL 33414

Principal:  
Fiscal Year 2015: Maria Vaughan  
During Audit: Maria Vaughan

Treasurer:  
Fiscal Year 2015: Laurie Maglocco  
During Audit: Laurie Maglocco

Afterschool Site Director:  
Fiscal Year 2015: Lindsay Oerter  
During Audit: Lindsay Oerter

Cash and Investments

Checking	\$ 61,336.30
Investments	
	\$ 61,336.30

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	666.96	3,595.50	2,734.89	383.50	383.50	1,527.57
Classes	0.00	13,275.29	12,767.61	1,683.50	1,731.52	459.66
Clubs	2,925.50	0.00	0.00	0.00	0.00	2,925.50
Departments	11,222.23	23,040.02	21,913.45	5,699.74	5,699.74	12,348.80
Trusts	37,385.23	370,131.85	370,190.40	10,045.01	10,563.23	36,808.46
General	4,098.67	12,135.10	9,533.70	4,628.88	4,062.64	7,266.31
	\$ 56,298.59	\$ 422,177.76	\$ 417,140.05	\$ 22,440.63	\$ 22,440.63	\$ 61,336.30



## DEPOSIT OF MONIES

### Finding

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

- Seven collections, totaling \$2,110.83, recorded on the *Drop-safe Log* (page #s 12-08206, 12-08209, 12-08210, 12-08231, 12-08233, 12-08250, and 12-1208277) were marked as “returned to sponsor”. However, the returns were not signed by the sponsors to acknowledge the receipt of the collections.
- Collections were not always turned-in for deposit in a timely manner. For example, \$2,256.83 collected through three MCRs (#505-5, #505-9, and #505-18) was retained by the sponsors for one to four working days before the monies were put into the drop-safe for deposit.
- During the audit, we noted that incoming mails were sorted and distributed by someone other than the school treasurer. However, 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, deletion of records from the *Drop-safe Log* and return of monies to the sponsors for clarification should be signed and acknowledged by the sponsors.
- *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.
- To (1) ensure fiscal accountability and (2) prevent and detect potential irregularities, segregation of duties should be enforced at the school. Specifically, incoming mails should not be received and opened by the same staff member. 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 bookkeeper for deposit.

### Management’s Response

*Concur. Bookkeeper notified teachers via email to pick up and sign for returned deposits. Email was sent to teachers reminding them of monies collected procedures. School Secretary will open mail addressed to bookkeeper.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Safety Patrol Coupon Book Sales, (2) Safety Patrol Poinsettia Sales, and (3) Note Card Sales.

### Recommendation

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.

### *Management's Response*

*Concur. All sponsors for fundraisers were reminded via email to complete the training in eLearning.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Disbursement #16688 (for \$5,130) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Two tax-exempt P-Card purchases (\$94.35 and \$30.72) on December 4 and 8, 2014, respectively, included a total payment of \$5.24 in sales tax.

### Recommendation

Disbursements should be administered in accordance with *Internal Accounts Manual, Purchasing Card Procedures (Purchasing Manual Chapter 24)*, and the 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.
- The School District is a tax-exempt governmental entity, and should not pay sales tax for qualified purchases.

### *Management's Response*

*Concur. Principal reviewed procedures for check disbursement with the bookkeeper and reminded her there must be a PO for amounts over \$1,000. Bookkeeper was reminded to use tax exempt card.*

**West Gate Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1545 Loxahatchee Drive  
West Palm Beach, FL 33409

Principal:  
Fiscal Year 2015: Patricia Ordonez-Feliciano  
During Audit: Patricia Ordonez-Feliciano

Treasurer:  
Fiscal Year 2015: Lisette Miranda  
During Audit: Lisette Miranda

Afterschool Site Director:  
Fiscal Year 2015: Lisdey Padron  
During Audit: Lisdey Padron

Cash and Investments

Checking	\$ 24,624.95
Investments	
	\$ 24,624.95

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	310.99	0.00	0.00	0.00	0.00	310.99
Classes	235.78	7,872.76	7,638.44	1,487.83	1,487.83	470.10
Clubs	2,166.93	16,592.26	10,378.48	7,021.15	13,796.09	1,605.77
Departments	3,117.41	5,797.85	4,560.21	1,613.14	1,621.22	4,346.97
Trusts	6,511.92	110,079.42	108,234.71	8,402.54	1,835.60	14,923.57
General	2,967.00	6,152.34	6,367.87	2,908.34	2,692.26	2,967.55
	\$ 15,310.03	\$ 146,494.63	\$ 137,179.71	\$ 21,433.00	\$ 21,433.00	\$ 24,624.95

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

Based on the school's purchasing records, the Yankee Candle Sale (Account #4-4300.09) should have generated a total estimated revenue of \$2,015. However, total sales revenues deposited into the Internal Funds was \$1,854, which was \$161 (\$2,015 - \$1,854, or 8%) less than the estimated total revenue. According to the sponsor's and vendor's records, the discrepancy was due to the total dollar amounts listed on two students' *Order Forms* were under-reported by \$7 and \$154 (totaling \$161) respectively.

### **Recommendation**

To ensure proper fiscal accountability for fundraisers, actual collections should be reconciled with the estimated revenue. Significant discrepancy should be investigated and resolved accordingly. The school should consider including the responsible students on the obligation list for uncollected funds.

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

*Concur. Sponsor has contacted the vendor and a corrected form will be sent to the school along with a credit for the difference.*

## AFTERSCHOOL PROGRAM

### **Finding**

The school's Summer Camp Program ended on August 7, 2015. However, as of January 7, 2016, this program had a total accounts receivable balance of \$786.57 from four students, past due for more than five months. Similar finding for untimely collection of Summer Camp fees was noted in previous year (2014) audit.

### **Recommendation**

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

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

*Concur. Past due amounts were collected and paid in full. Money was deposited on 2/11/16. Additionally, Principal met with After Care Director to address concerns and ensure that program fees will be collected in advance.*

**West Riviera Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1057 West 6th Street  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2015: Tonja Lindsey-Latson  
During Audit: Tonja Lindsey-Latson

Treasurer:  
Fiscal Year 2015: Kerri Rogers  
During Audit: Kerri Rogers

Afterschool Site Director:  
Fiscal Year 2015: Jasmin Reed  
During Audit: Jasmin Reed

Cash and Investments

Checking	\$ 3,423.66
Investments	
	\$ 3,423.66

	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	1,544.50	1,100.00	0.00	444.50	0.00
Clubs	0.00	0.00	0.00	0.00	0.00	0.00
Departments	240.69	14.00	237.34	0.00	0.00	17.35
Trusts	3,535.99	51,034.73	51,291.01	1,855.13	1,949.58	3,185.26
General	887.93	11,687.72	12,893.55	538.95	0.00	221.05
	\$ 4,664.61	\$ 64,280.95	\$ 65,521.90	\$ 2,394.08	\$ 2,394.08	\$ 3,423.66

## DEPOSIT OF MONIES

### Finding

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

- The check numbers for two checks (\$248.40 and \$33.50, totaling \$281.90) were missing from the related *Monies Collected Reports* (#398-3 and #425-2).
- At the year-end, some sponsors did not turn-in the yellow copies of MCRs and the related computerized *Official Receipts* to the school secretary for record retention and future references.

### Recommendation

Money collections should be administered in accordance with *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 *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. Review monies collected forms at next faculty meeting.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The sponsor for the Safety Patrol Fish Fry Fundraiser did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015.

### Recommendation

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.

***Management's Response***

*Concur. Review fundraising at next faculty meeting.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

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

- Disbursement #8114 (for \$1,100) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Disbursement #8095 (for \$532) was for payment of admission fees to the Palm Beach Zoo. This field trip, however, did not have the *Field Trip/Activity Planning Report and Approval Requests Form* (PBSD 1894).
- During April 2015, two P-Card transactions totaling \$77.11 for purchases of food and flowers for the Secretaries' Day were incorrectly funded by the school's supplies account. These expenses should have been funded by the Administrative Courtesy Account.

**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.
- Field trips should be administered in accordance with *School Board Policy 2.40*. Specifically, in-county field trips should be pre-approved by the Principal with adequate documentation,
- School expenditures should be funded by the appropriate funding sources.

***Management's Response***

*Concur. Meet with bookkeeper weekly to ensure that expenditures are funded appropriately.*

## LEASING OF SCHOOL FACILITIES

### Finding

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

- Two leasing arrangements (#1002 and #1007) were recorded in the Tririga System. However, the school did not have a hard copy of the *Lease Agreements* that were executed with all the required signatures.
- *Lease Agreements* #1001 and #1008 did not have witness signatures. Also the lessee's signature for *Agreement* #1008 was not dated.
- The lessee for Lease #1001 overpaid the rentals by \$58.20. Subsequently, the school inadvertently refunded \$93.20 (Disbursement #8115) to the lessee. As a result, the school overpaid \$35 to the lessee.
- The utility fees collected from six leases (#s 1001, 1002, 1005, 1006, 1007, and 1008) were not allocated to the Utilities-Facilities Rental Account (#6-5500.00). As a result, the school under-transmitted \$299.25 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. The school should also maintain a hard copy of the executed *Lease Agreement* for future reference, in addition to recording the leasing activities in the Tririga System.
- The amount of refund to lessee should be verified before payment. The school should recoup the \$35 overpayment from the lessee for Lease #1001.
- The portion of utility fees should be recorded in the Facilities Rental Utilities (#6-5500) and paid to the Central Office in accordance with the District's *Approved Rate Schedule*.

### Management's Response

*Concur. Schedule weekly monitoring meetings with treasurer to ensure compliance of leasing agreements.*



## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that:

- The school's *Document Custodian Assignment Register (PBSD 1663)* for Fiscal Year 2015 indicated that no document custodians was assigned to account for the *School Checks* and *Drop-safe Logs*.
- *Prenumbered Document Inventory Register (PBSD 0160)* was not maintained for the *Drop-Safe Log* to account for the issuance and monthly inventory of the *Logs*.

### Recommendation

To ensure proper fiscal accountability 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)*.
- To ensure the *Drop-safe Logs* are properly accounted for, the designated document custodian for the *Logs* should use the *Prenumbered Document Inventory Register (PBSD 0160)* to document the usage and monthly inventory-check of *Logs*.

### Management's Response

*Concur. Schedule weekly monitoring meetings with treasurer and document custodian to ensure compliance with drop safe log policies.*

## AFTERSCHOOL PROGRAM

### Finding

The review of Afterschool Program found that:

- The December 2014 and March 2015 program fees, totaling \$188.94, were not collected from two students, although the *Attendance Sheets* indicated that these two students attended the program during these two specific months.

West Riviera Elementary School  
Management Letter  
Year Ended June 30, 2015

- The February 2015 Professional Development Day (PDD) fees were not recorded in the EZ-Care Database for all students. As a result, the school under-collected a total of \$388.22 in PDD fees from the parents as required by the *Afterschool Programs Operational Manual*.

### **Recommendation**

Afterschool Programs is a self-sufficient program supported by user fees. Program fees should be collected in accordance with the *Afterschool Programs Operational Manual*.

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

*Concur. After care was transferred to different school site as of January 4, 2016.*

**Westward Elementary School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1101 Golf Avenue  
West Palm Beach, FL 33401

Principal:  
Fiscal Year 2015: Bobbie Brooks  
During Audit: Bobbie Brooks

Treasurer:  
Fiscal Year 2015: Gwen Hutley  
During Audit: Gwen Hutley

Afterschool Site Director:  
Fiscal Year 2015: Zipporah Morris  
During Audit: Zipporah Morris

Cash and Investments

Checking	\$ 22,886.66
Investments	
	\$ 22,886.66

	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	3,013.65	8,584.98	10,573.29	1,500.52	1,500.52	1,025.34
Clubs	1,292.28	12,229.00	10,816.87	3,480.56	3,560.56	2,624.41
Departments	1,288.52	470.16	1,543.52	0.00	0.00	215.16
Trusts	11,017.29	123,976.21	118,437.19	7,720.38	7,750.79	16,525.90
General	959.50	4,810.20	3,384.26	1,545.75	1,435.34	2,495.85
	\$ 17,571.24	\$ 150,070.55	\$ 144,755.13	\$ 14,247.21	\$ 14,247.21	\$ 22,886.66

## DEPOSIT OF MONIES

### Finding

As part of our review of money collection process and money collection records at the school, we requested for prior year's *Drop-safe Logs* for additional testing. Apparently, all the *Drop-safe Logs* for Fiscal Year 2013-14 were discarded.

### Recommendation

To ensure proper fiscal accountability and as required by *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, "Completed *Drop Safes Logs* must be filed sequentially in numerical order in a binder and retained for five years."

### Management's Response

*Concur. We had a transition this summer with my former AP who kept the logs being moved to a new school. We were no able to locate the placement of the log sheets for the specified item. The former AP said she would come to the school to assist in locating the files but that never occurred. Moving forward we will have the AP secure the files in a centrally located binder for close out.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

- The sponsor for the Movie Night Snack Sale did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- The Yearbook Sales fundraiser 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,

- To ensure fundraiser sponsors have knowledge of and will be complying with the updated fundraising procedures, they should complete the required annual eLearning Fundraiser Training Course prior to conducting fundraising activity.
- To ensure proper fiscal accountability, *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser in order for staff to reconcile the sales revenue with the estimated revenue. Moreover, the *Report* should be approved by the Principal to confirm the legitimacy for any items that were given-away.

***Management's Response***

*Concur. The PTO president was in her first year in office and needed to be made aware of the training and process for fundraisers. She has since completed the required training and is aware of the correct process. The Yearbook sponsor had to take a sudden leave of absence prior to closing the fundraiser and has still not returned to work. We will close the fundraiser upon her return to work.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The school had 20 facility leasing arrangements in the Tririga System. However, the review of the leasing records at the school found that:

- Seventeen of them did not have the hard copies of the *Lease Agreements* that were to be signed by the lessees.
- *Agreement #1025* was not signed by a witness.

**Recommendation**

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 the related leasing information in the Tririga System.

***Management's Response***

*Concur. The AP who transitioned to a new school this summer had the oversight for the leases and we could not locate the hard copies that she left. Once again we incorporate close out procedures for the new AP which include securing the signed lease copies in a binder that is centrally located and accessible for the Principal and bookkeeper. This will be done at the end of the school term.*

**Whispering Pines Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 9090 Spanish River Boulevard  
 Boca Raton, FL 33496

Principal:  
 Fiscal Year 2015: Barbara Riemer  
 During Audit: Barbara Riemer

Treasurer:  
 Fiscal Year 2015: Danielle Torres  
 During Audit: Deborah Debilzan

Afterschool Site Director:  
 Fiscal Year 2015: Christine Sims  
 During Audit: Christine Sims

Cash and Investments

Checking	\$ 27,260.89
Investments	
	\$ 27,260.89

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	32.80	55.66	0.00	0.00	0.00	88.46
Classes	346.61	7,872.88	8,806.71	1,723.81	848.29	288.30
Clubs	803.78	2,684.10	2,820.22	694.76	694.76	667.66
Departments	3,775.59	36,053.23	31,843.26	8,792.13	8,792.13	7,985.56
Trusts	32,303.69	588,389.63	600,923.83	7,964.43	10,786.32	16,947.60
General	3,259.53	3,949.60	7,872.19	2,816.37	870.00	1,283.31
	\$ 40,522.00	\$ 639,005.10	\$ 652,266.21	\$ 21,991.50	\$ 21,991.50	\$ 27,260.89

## DEPOSIT OF MONIES

### Finding

Review of the *Drop-safe Logs* found that 16 pages (#12-52135 through #12-52150) of the *Logs* were missing. The missing pages should contain the collection information for June 7, through August 18, 2014.

### Recommendation

To ensure proper fiscal accountability and as required by *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, “*Completed Drop Safes Logs must be filed sequentially in numerical order in a binder and retained for five years.*”

### Management’s Response

*Concur. This was corrected for the FY16 year. All completed Drop Safe Logs are filed sequentially in a binder and kept with Assistant Principal who is the Document Custodian of Drop Safe Logs and checks.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

- The Yearbook Sale (Account #6-4412.01) had the following exceptions:
  - The sponsor did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015.
  - The *Sales Item Inventory Report* was neither signed by the sponsor nor approved by the Principal.
  - As indicated by the sponsor on the *Sales Item Inventory Report*, seven Yearbooks with an estimated resale value of \$210 were given-away free-of-charge. However, no records were maintained for the purpose and the recipients of the Yearbooks.
- The Candy Sale (Account #6-4000.02) and Coupon Books (Account #6-4000.01) fundraisers did not have the required *Sales Item Inventory Reports*.

### Recommendation

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

Whispering Pines Elementary School  
Management Letter  
Year Ended June 30, 2015

- 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.
- *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, or missing.

***Management's Response***

*Concur. Last year's (FY15) yearbook sponsor was out on medical leave and did not get the eLearning completed. A meeting was held at the beginning of the FY16 school year to ensure that all club sponsors and anyone who might be doing a fundraiser was aware of the eLearning Fundraising Training. The completion of eLearning Fundraising Training for FY16 has been completed by all sponsor of clubs and fundraisers. A meeting will be held on Monday April 25, 2016 with all club sponsors and fundraising sponsors to ensure they are aware of the correct procedures for completing the Sales Item Inventory Report.*

**PRENUMBERED DOCUMENTS**

**Finding**

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

**Recommendation**

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

***Management's Response***

*Concur. This was corrected for FY16 year. A Document Custodian Assignment Register (PBSD 1663) has been completed for the FY16 year and is kept in the Bookkeeper's office. The Assistant Principal is the Document Custodian for the Drop Safe Logs and Checks.*



**Wynnebrook Elementary School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 1167 Drexel Road  
 West Palm Beach, FL 33417

Principal:  
 Fiscal Year 2015: Jeffrey Pegg  
 During Audit: Jeffrey Pegg

Treasurer:  
 Fiscal Year 2015: Edna Legister-Minor  
 During Audit: Edna Legister-Minor

Afterschool Site Director:  
 Fiscal Year 2015: Maurice Berry  
 During Audit: Maurice Berry

Cash and Investments

Checking	\$ 17,588.23
Investments	
	\$ 17,588.23

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	40.00	3,561.45	3,042.18	589.88	589.88	559.27
Classes	0.00	1,994.00	1,683.50	0.00	310.50	0.00
Clubs	1,530.48	3,751.30	3,069.79	6.00	996.30	1,221.69
Departments	1,903.40	1,033.82	1,675.21	0.00	0.00	1,262.01
Trusts	8,961.93	179,079.49	178,774.13	6,365.62	5,376.00	10,256.91
General	4,364.54	5,879.43	6,266.80	311.18	0.00	4,288.35
	\$ 16,800.35	\$ 195,299.49	\$ 194,511.61	\$ 7,272.68	\$ 7,272.68	\$ 17,588.23

## DEPOSIT OF MONIES

### Finding

The review of *Monies Collected Reports* (MCRs) and money collection process at the school found that *Drop-safe Logs* were not always completed with all the required information. Specifically, during February, April, and May 2015, *Section 3* of the *Logs* which contained a total of 22 collections that did not have the signature/initial of an independent staff who was supposed to verify the recording of the collections by the school treasurer in the General Ledger.

### Recommendation

To ensure proper fiscal accountability and compliance with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, *Section 3* of the *Drop-safe Log* should be completed by staff. This section should include the receipt number generated by SchoolCash, notations for any variance between the sponsors' record on the *Drop-safe Log* and the amount of monies counted, and the signature/initial of the independent staff who verified the recording of the collections in the General Ledger.

### Management's Response

*Concur. Will make sure log is signed.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records revealed that:

- The sponsor for the Safety Patrol Car Wash fundraiser did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015.
- A total of \$523 in unrelated expenditures was included in the Chorus Coupon Book Sales fundraiser account (#2-1500.01).

### Recommendation

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

- To ensure staff is aware of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required annual eLearning Fundraiser Training Course prior to conducting fundraising activity.
- To assist the school in evaluating the performance of individual fundraiser, a separate decimalized account should be established for each fundraiser. Fundraiser account should include only related revenues and expenditures.

***Management's Response***

*Concur. Have met with Safety Patrol Sponsor to assure this will be completed.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

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

- Disbursement #10572 (for \$22,360) was for payment for the Safety Patrol field trip expenses to Washington D.C. However, the related *Field Trip/Activity Planning Report and Approval Request Form* (PBSD 1894) was not approved by the Area Superintendent.
- A \$70.40 P-Card purchase on December 4, 2014, included the purchase of \$30.50 in bleach and custodial cleaning supplies. The purchase of chemicals is prohibited by District Purchasing Guidelines.

**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, out-of-county field trips should be approved by the Principal and Area Superintendent.
- P-Card should not be used for purchase of items disallowed by the *Purchasing Manual*. Moreover, to protect the safety and health of students and staff, chemical items such as custodial supplies should be ordered from the District's warehouse or procured through the Purchasing Department.

***Management's Response***

*Concur. Corrected.*

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# **Middle Schools**

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### Middle Schools All Schools Summary of Audit Findings FY 2015 Internal Funds Audits

Middle Schools	Community School / Summer Camp / Safe School Programs									Disbursements				Receipts				Leases				Other						Number of Findings								
	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	
<b>AREA 1 MIDDLE (7 schools)</b>																																				
Boca Raton Middle																																			4	
Carver Middle										√				√	√			√	√			√												√	10	
Don Estridge High Tech Middle																																			1	
Eagles Landing Middle																											√								2	
Loggers Run Middle																																			0	
Odyssey Middle																																	√		2	
Omni Middle																																		√		1
<b>Area 1 Total</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>1</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>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>20</b>
<b>AREA 2 MIDDLE (9 schools)</b>																																				
Christa McAuliffe Middle																																		√		1
Congress Middle																																				0
L.C.Swain Middle										√	√							√		√														√		6
Lake Worth Middle																																		√		1
Lantana Middle																																				0
Okechee Middle																																			√	1
Tradewinds Middle																										√									√	2
Woodlands Middle																																			√	3
<b>Area 2 Total</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>1</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</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>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>14</b>
<b>AREA 3 MIDDLE (6 schools)</b>																																				
Emerald Cove Middle																																			√	2
Lake Shore Middle										√			√	√	√					√						√		√						√	9	
Osceola Creek Middle																																		√		3
Polo Park Middle										√																									√	2
Wellington Landings Middle											√			√	√											√									√	5
Western Pines Middle																																			√	2
<b>Area 3 Total</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>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>23</b>	





**Bak Middle School of the Arts  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1725 Echo Lake Drive  
West Palm Beach, FL 33407

Principal:  
Fiscal Year 2015: Sally Rozanski  
During Audit: Sally Rozanski

Treasurer:  
Fiscal Year 2015: Cathleen Spring  
During Audit: Donna Bradshaw

**Cash and Investments**

Checking	\$ 362,625.21
Investments	
	\$ 362,625.21

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 5,570.04	\$ 34,253.34	\$ 45,879.07	\$ 18,343.53	\$ 10,843.53	\$ 1,444.31
Music	104,605.38	388,292.66	393,626.13	118,626.32	118,666.72	99,231.51
Classes	5,136.09	14,736.00	14,208.12	2,395.67	2,395.67	5,663.97
Clubs	7,091.16	77,505.68	62,590.26	24,442.12	25,501.98	20,946.72
Departments	153,332.12	357,937.44	357,065.52	83,829.47	87,585.40	150,448.11
Trusts	54,131.00	277,894.02	268,022.82	39,689.97	42,228.64	61,463.53
General	18,484.85	55,898.13	50,850.78	15,396.72	15,501.86	23,427.06
	\$ 348,350.64	\$1,206,517.27	\$1,192,242.70	\$ 302,723.80	\$ 302,723.80	\$ 362,625.21

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsors for the Cheerleading Uniforms and P.E. Uniforms fundraisers did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015.
- A total of \$1,930 in sales revenue was deposited into the Visual Arts-Fall Thriller T-Shirts Fundraiser Account (#5-7785.17) during the year. Based on the school's purchasing records, and the *Sales Item Inventory Report*, this fundraiser should have generated a total estimated revenue of \$2,340. As a result, \$410 (18%) in estimated revenue was unaccounted for. In addition, 20 T-shirts with an estimated resale value of \$200 were given-away without any documentation.
- Both the *Fundraising Application/Recap Form* and *Sales Item Inventory Report* (SIIR) for the P.E. Uniforms (Account #5-1900.02) were not approved by the Principal. In addition, the sponsor used an outdated SIIR form, which did not have the designated space for the Principal's approval.
- The Cheerleading Uniforms Fundraiser (Account 4-0860.02) 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 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 Report* should be 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.
- Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly. All monies raised through fundraisers should be accounted for.

### Management's Response

*Concur. Faculty and staff were directed to complete the necessary trainings and use the appropriate forms. Professional development was provided at Pre-school Meetings regarding financial procedures and the*

*mandatory requirements. If improper forms were completed, the forms will be returned and new forms completed. Additionally, untrained personnel are receiving email to note non-compliance, and a directive that training must be completed.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of leases found that:

- *Lease Agreements* #1003 and #1004 were neither signed by the lessees and witnesses nor approved by the Principal until after the leasehold period began for one and five days respectively.
- The school under-recorded \$1,116.50 utility fees in the Facilities Rental Utilities Account (#6-5500) and over-recorded the same amount of other fees in the Extra Services-Other Account (#6-1600) for Lease #1005. As a result, the school under-paid \$1,116.50 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 protect the best interest of the School District, *Lease Agreements* should be legally enforceable with all the required signatures prior to the use of facilities by lessees.
- Rental fees should be properly allocated when recorded in the general ledger accounts; and should be identified on the *Remittance Transmittal Form* when funds are transmitted to the Central Office in accordance with the District's approved ***Rate Schedule***.

### Management's Response

*Concur. We noted the error and the appropriate account will be used for future leasing. In reference to the leases (1003 and 1004), we were waiting clarification from the District on whether some fees could be waived (PTO and Music); this cause us to delay our approval of both leases. We will ensure that leases are signed on time, and then adjusted if necessary.*

## PRENUMBERED DOCUMENTS

### Finding

The *Prenumbered Document Inventory Register (PBSD 0160)* was not maintained for the *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 the *Logs* should use the *Prenumbered Document Inventory Register* (PBSD 0160) to account for the usage and monthly inventory-check of the *Logs*.

**Management's Response**

*Concur. The designated document custodian for the logs has been using the Prenumbered Document Inventory Register to account for usage and monthly inventory-check logs for the 2015-16 school year.*

**Bear Lakes Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 3505 Shenandoah Boulevard  
West Palm Beach, FL 33409

Principal:  
Fiscal Year 2015: Kirk Howell  
During Audit: Kirk Howell

Treasurer:  
Fiscal Year 2015: Martha Riviera Guzman  
During Audit: Martha Riviera Guzman

**Cash and Investments**

Checking	\$ 44,080.48
Investments	
	\$ 44,080.48

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 29.64	\$ 529.99	\$ 3,448.19	\$ 2,951.00	\$ 29.64	\$ 32.80
Music	2,305.98	39,910.93	39,776.47	5,404.86	5,404.86	2,440.44
Classes	1,693.61	0.00	630.94	0.00	234.91	827.76
Clubs	378.03	1,044.50	539.98	0.00	316.78	565.77
Departments	6,059.53	11,489.67	8,443.99	5,473.08	6,146.83	8,431.46
Trusts	23,261.44	91,948.34	81,737.15	3,078.16	6,366.34	30,184.45
General	5,287.83	3,227.61	8,509.90	2,741.14	1,148.88	1,597.80
	\$ 39,016.06	\$ 148,151.04	\$ 143,086.62	\$ 19,648.24	\$ 19,648.24	\$ 44,080.48

## DEPOSIT OF MONIES

### **Finding**

The review of money collection process at the school found that Section 2 of the *Drop-safe Log* was not completed with the required information. Specifically, the school treasurer and the independent staff did not sign Section 2 of the *Log* to jointly confirm that collections were removed from the safe for processing by the treasurer.

### **Recommendation**

To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO, Section 2 of Drop-safe Log* should be filled out by the treasurer and the independent staff who accompanied the treasurer to the safe. They should jointly confirm that the listed items were removed from the safe by the treasurer for processing.

### **Management's Response**

*Concur. Will follow procedure.*

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of sample fundraiser records found that the *Sales Item Inventory Report* was not signed by the sponsor nor approved by the Principal.

### **Recommendation**

The *Sales Item Inventory Report* should be signed by the fundraiser sponsor and approved by the Principal in order to confirm the legitimacy for any items that were given-away free-of-charge, or missing.

### **Management's Response**

*Concur. Will follow procedure.*

## LEASING OF SCHOOL FACILITIES

### **Finding**

The review of records for school facility leasing found that:

Bear Lakes Middle School  
Management Letter  
Year Ended June 30, 2015

- The leasing information for Lease #1004 was recorded in the Tririga System. However, the school did not maintain a hard copy of the signed *Lease Agreement*.
- *Lease Agreements* were not always executed with all the required signatures prior to the use of facilities by the lessees. For example,
  - *Agreement #1037* was neither signed by the lessee and the witness, nor approved by the Principal until five and 23 days respectively after the leasehold period began.
  - *Agreement #1020* was not approved by the Principal until 31 days after the leasehold period began.
- The leasing charges for Lease #1037 were not collected until five 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,

- 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.
- *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. Will follow procedures.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found the following:

- The school did not maintain *Prenumbered Document Inventory Register (PBSD 0160)* for the *Drop-Safe Log*.
- Although the confidential secretary was the assigned custodian for the *Drop-safe Log*, the treasurer has custody of the blank stock of the *Drop-safe Log*.

Bear Lakes Middle School  
Management Letter  
Year Ended June 30, 2015

**Recommendation**

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 these prenumbered forms.

***Management's Response***

*Concur. Will follow procedure.*



**Boca Raton Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1251 N.W. 8th Street  
Boca Raton, FL 33486

Principal:  
Fiscal Year 2015: Peter Slack  
During Audit: Peter Slack

Treasurer:  
Fiscal Year 2015: Jeannine Balbier  
During Audit: Jeannine Balbier

**Cash and Investments**

Checking	\$ 191,582.52
Investments	
	\$ 191,582.52

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 10,689.29	\$ 29,634.77	\$ 24,137.93	\$ 14,372.87	\$ 15,372.87	\$ 15,186.13
Music	16,074.09	44,185.35	56,578.73	16,009.96	14,729.96	4,960.71
Classes	631.00	23,135.00	22,169.00	966.00	966.00	1,597.00
Clubs	1,719.43	61,043.70	55,863.69	21,783.93	18,692.19	9,991.18
Departments	53,843.24	88,095.65	70,801.91	31,764.65	40,152.25	62,749.38
Trusts	78,213.85	218,436.60	223,428.45	15,432.29	20,472.12	68,182.17
General	7,987.80	50,321.38	39,448.92	43,045.19	32,989.50	28,915.95
	\$ 169,158.70	\$ 514,852.45	\$ 492,428.63	\$ 143,374.89	\$ 143,374.89	\$ 191,582.52

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser records found that:

- The sponsors for the following three fundraisers did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Band Discount Cards, (2) Campus Yearbooks, and (3) R.E.A.L. T-Shirts.
- A total of \$3,574 in sales revenue was deposited into the R.E.A.L. T-Shirts Account (#6-4001.01) during July 1, 2014, through February 25, 2016. However, based on the school’s purchasing records, *Sales Item Inventory Report* for Fiscal Year 2015, and our observation of physical inventory on February 25, 2016, this fundraiser should have generated a total estimated revenue of \$3,974 during this period. As a result, \$400 (\$3,974 - \$3,574, or 10%) in estimated revenue was unaccounted for. According to the Principal, additional T-shirts were given-away as rewards without documentation which might have explained the \$400 discrepancy in revenue.

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		
T-shirts	81	769	78	383	389	\$10	\$3,890
T-shirts	12	-	-	-	12	\$7	\$84
Total Estimated Revenue							\$3,974
Total \$ Deposited into Internal Funds							\$3,574
<b><i>Estimated Revenues Unaccounted For</i></b>							<b><u>\$400</u></b>

- (1) Based on FY15 *Sales Item Inventory Report*.
- (2) Based on purchasing records during July 1, 2014 through February 25, 2016.
- (3) Based on our observation of physical inventory on February 25, 2016.

- The *Sales Item Inventory Reports* for the following two fundraisers were neither reviewed nor approved by the Principal: (1) Band Discount Cards and (2) Campus Yearbook.

**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.
- *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.

- Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

***Management's Response***

*Concur. REAL T-Shirts have been given away for years as part of our SwPBS Program. Fundraiser Sponsors will complete eLearning fundraising Course and Sales Item Inventory Report will be accurately completed and approved by the Principal for all future giveaways.*

**DEPOSIT OF MONIES**

**Finding**

The review of money collection process and sample *Monies Collected Reports* (MCRs) at the school found that the check numbers for four checks (totaling \$546.91) were not indicated on the related MCRs (#904-2, #904-3, #1062-20, and #1062-21).

**Recommendation**

Money collections should be administered in accordance with ***Internal Accounts Manual***, and related District guidelines. Specifically, check numbers for all payments should be noted on the "CHECK #" column of the MCR if payments were made by checks.

***Management's Response***

*Concur. Future money collections will be in accordance with Internal Accounts Guidelines specifically making sure all checks received have check numbers properly recorded on the Monies Collected Report.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that the school did not maintain the following records during Fiscal Year 2015:

- *Document Custodian Assignment Register (PBSD 1663).*
- *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***,

Boca Raton Middle School  
Management Letter  
Year Ended June 30, 2015

- 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 *Drop-safe Logs* and *School Checks* are properly accounted for and complying with **Chapter 27 of the Internal Accounts Manual**, the designated document custodian for the *Logs* and *School Checks* 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. Designated Document Custodians are in place and were in place prior to this audit and monthly task were completed prior to this audit. All logs and school checks have been and are accounted for.*

**Carver Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 101 Barwick Road  
Delray Beach, FL 33445

Principal:  
Fiscal Year 2015: Kiwana Alexander-Prophete  
During Audit: Kiwana Alexander-Prophete

Treasurer:  
Fiscal Year 2015: Kaesha Adams  
During Audit: Tammie Cox

**Cash and Investments**

Checking	\$ 38,221.88
Investments	
	\$ 38,221.88

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 3,743.65	\$ 4,248.83	\$ 6,376.22	\$ 1,093.29	\$ 1,093.29	\$ 1,616.26
Music	1,091.41	38,259.53	38,905.99	4,734.64	4,734.64	444.95
Classes	0.00	0.00	0.00	0.00	0.00	0.00
Clubs	6,756.96	55,310.27	52,821.34	7,955.61	9,241.57	7,959.93
Departments	6,736.31	10,126.04	9,004.47	2,355.06	2,155.06	8,057.88
Trusts	17,726.43	49,545.27	54,061.08	130.00	330.00	13,010.62
General	3,647.59	17,046.14	14,847.45	2,987.87	1,701.91	7,132.24
	\$ 39,702.35	\$ 174,536.08	\$ 176,016.55	\$ 19,256.47	\$ 19,256.47	\$ 38,221.88

## 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 four collections did not record the deposit (totaling \$810.10) information on the *Logs*. Instead, the information was subsequently entered on the *Logs* (on page #s 12-36059, 12-39522, 12-39525, and 12-39536) by another staff member after the monies were removed from the drop-safe for processing.
- *Sections 2 and 3* of the *Drop-Safe Logs* were not always completed and signed by staff. Specifically, (1) *Section 2* was not signed by the school treasurer, (2) *Section 3* for 10 pages (#s 12-39502, 12-39503, 12-39504, 12-39505, 12-39506, 12-39507, 12-39508, 12-39509, 12-39510 and 12-39511) of the *Logs* were completed and signed by the treasurer instead of an independent staff verifier.
- A total of \$1,260 from numerous collections recorded on MCR #457-11 was retained by the sponsor for four to six working days before the money was put into the drop-safe for deposit.
- The total dollar amounts on two MCRs (#464-10 and #457-12) were changed by the treasurer after she counted the monies submitted by the sponsors. However, the changes were not signed by the sponsors to acknowledge the changes.
- 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 and future reference, which is required by *Internal Accounts Manual*.

### 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 comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, 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. The verifier should also 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 potential irregularities.

- To ensure proper fiscal accountability, subsequent changes to record on MCRs by the treasurer should be agreed and signed off by the related sponsors.
- 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. Monies collected will be dropped daily. Changes to record on Money Collected Receipts will be signed and agreed upon by both the School Treasurer and Sponsors.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser documentation revealed that:

- The sponsors for the following three fundraisers did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Yearbook Sales, (2) 8<sup>th</sup> Grade T-Shirts, and (3) Eagles Drill and Cheer Candy Sales.
- The Yearbook Sales and 8<sup>th</sup> Grade T-shirt Sales did not have the required *Fundraiser Application/Recap Forms* and *Sales Item Inventory Reports*.
- The *Sales Item Inventory Report* for the Eagles Drill & Cheer Candy 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 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*.
- To ensure proper fiscal accountability, *Sales Item Inventory Report* should be completed with accurate information for each fundraiser in order for staff to reconcile the sales revenue with the estimated revenue. The *Report* should be approved by the Principal to confirm the legitimacy for any items that were given-away.

***Management's Response***

*Concur. The eLearning Fundraiser training course will be completed at the first day back training for all teachers. All Fundraising Forms and Sales items Inventory will be completed and signed by the Principal prior to starting a Fundraiser.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

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

- Disbursement #11187 (for \$1,800) was for rental payment of inflatable entertainment equipment, with attendants, for the June 2, 2015, Carver Day Event. However, this disbursement did not have the required *School District Consultant Agreement (PBSD 1420)* and proof of liability insurance coverage from the vendor.
- Disbursement #11144 (\$450.50) was for reimbursing an employee for the purchase of jewelry; and a December 8, 2014, P-Card transaction for purchase of a \$50 gift-card (\$50 gift-card + \$6 fees = \$56). However, both purchases did not have documentation for the purposes and recipients of the gifts.
- Two disbursements (#11161 for \$2,220, and #11117 \$2,386.36) exceeded the \$1,000 *Purchase Order* threshold, and did not have the required *Purchase Orders*.
- Disbursement #11117 (\$2,386.36) was supported by a vendor's statement that indicated the invoice number and dollar amount, without the details for the purchase. Moreover, the payment comprised of \$92.66 finance charges and \$2,293.70 unpaid balance that past due for over 90 days (\$92.66 + \$2,293.70 = \$2,386.36).
- The school paid a total of \$17.42 in sales tax for five qualified P-Card purchases.
- Disbursement #11192 (\$1,001) was for payment of admission fees to the Drill and Cheer team end-of-year skating activities. However, this disbursement was supported by a price quote from the vendor, instead of an itemized invoice or receipt. Moreover, the field trip did not have the required *Field Trip/Activity Planning Report and Approval Request Form*.
- Two disbursements (#11038 for \$2,100.25, and #11135 for \$5,134.21) were for payments of admission tickets during Out-of-County field trips to Fort Lauderdale and Orlando respectively. However, both field trips did not have the required *Temporary Duty Elsewhere (TDE) Forms* for the staff.

**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 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 signatures and dates, 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)*.
- Renting of inflatables and other entertainment equipment for school activities should be administered in accordance with the District's *Special Events Guide for Insurance and Loss Prevention*. Moreover, the school should obtain the required proof liability insurance coverage from the vendor.
- To ensure the purchases are appropriate, expenditures should be adequately documented and supported by itemized invoices. Purposes and justifications should be included for all items purchased with school funds and provided free-of-charge to students, staff members or the community should be adequately documented. Records should include the purposes and the names of the recipients for the gifts.
- Pursuant to 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 avoid incurring unnecessary finance charges and in compliance with *Florida Prompt Payment Act*, all invoices should be processed timely for payments.
- The School District is a 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, Out-of-County field trips should be pre-approved by the Principal and Area Superintendent. Moreover, TDE form should also be completed by the sponsor and pre-approved by the Principal for each field trip.

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

*Out of County Field Trips have been approved prior to trips. Forms could not be located due to the School Treasurer being out on a Medical Leave. All vendors will have a consultant agreement signed prior to.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The \$1,484 rentals for Lease #1015 was not collected from the lessee until 12 days after the use of facility by the lessee.

### **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. All Lease Agreement payments will be collected prior to the usage of the Building.*

**PRENUMBERED DOCUMENTS**

**Finding**

The school did not maintain the following records: (1) *Document Custodian Assignment Register (PBSD 1663)*, and (2) *Prenumbered Document Inventory Register (PBSD 0160)* for *Drop-safe Logs* and *School Checks*.

**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 pre-numbered form; and the assignments should be recorded on the *Document Custodian Assignment Register (PBSD 1663)*.
- To ensure the *Drop-safe Logs* and *School Checks* are properly accounted for, the designated custodians should use the *Prenumbered Document Inventory Register (PBSD 0160)* to confirm the periodic inventory-check of these documents.

***Management’s Response***

*Concur. Staff will be designated as a document custodian. The PBSD 0160 Form will be used to confirm periodic inventory check of documents.*

**Christa McAuliffe Middle School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 6500 Le Chalet Boulevard  
 Boynton Beach, FL 33437

Principal:  
 Fiscal Year 2015: Jeff Silverman  
 During Audit: Jeff Silverman

Treasurer:  
 Fiscal Year 2015: Diane Davant  
 During Audit: Diane Davant

**Cash and Investments**

Checking	\$ 123,793.53
Investments	
	\$ 123,793.53

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 7,654.10	\$ 19,766.86	\$ 19,033.05	\$ 8,790.51	\$ 8,790.51	\$ 8,387.91
Music	7,324.15	37,138.77	39,143.35	18,420.46	18,420.46	5,319.57
Classes	2,032.51	28,137.13	28,176.76	1,042.50	917.00	2,118.38
Clubs	3,747.84	8,856.27	7,894.53	4,046.57	4,084.96	4,671.19
Departments	55,173.67	70,775.90	66,559.98	26,288.24	25,048.85	60,628.98
Trusts	12,693.17	99,510.12	69,537.18	6,419.62	10,774.51	38,311.22
General	1,635.46	16,612.70	16,920.27	10,486.65	7,458.26	4,356.28
	\$ 90,260.90	\$ 280,797.75	\$ 247,265.12	\$ 75,494.55	\$ 75,494.55	\$ 123,793.53

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsors for two fundraisers (6<sup>th</sup> Grade Treat, and Boys Soccer Uniforms) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- The 6<sup>th</sup> Grade Treat Fundraiser (Account #3-3600.01) purchased \$705 in merchandise for resale and collected \$572 in revenue, which resulted in a deficit of \$133. Based on the school's purchasing records and the selling price, this fundraiser should have generated a total estimated revenue of \$882. Consequently, \$310 (35%) in estimated revenue was unaccounted for. In addition, the *Sales Item Inventory Report* was not completed with the accurate information. Specifically, the *Report* incorrectly listed the cost, instead the selling price, for computing the sales revenue. As a result, the sales revenue contained in the *Report* did not agree with the collection records.

### 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 fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.
- *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. Significant discrepancy, if any, between the estimated revenue and actual collection should be investigated and resolved accordingly.

### Management's Response

*Concur. We will insure that any and all staff that undertake fund raising activities have taken the required training course. We will thoroughly review inventory reports to insure that all funds and inventory are accounted for.*

**Congress Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 101 South Congress Avenue  
Boynton Beach, FL 33426

Principal:  
Fiscal Year 2015: Denise O'Connor  
During Audit: Denise O'Connor

Treasurer:  
Fiscal Year 2015: Yvonne Small  
During Audit: Yvonne Small

**Cash and Investments**

Checking	\$ 31,740.23
Investments	
	\$ 31,740.23

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 2,477.86	\$ 5,913.45	\$ 6,039.82	\$ 1,941.66	\$ 1,941.66	\$ 2,351.49
Music	425.78	2,353.00	2,242.05	660.00	660.00	536.73
Classes	7,475.83	39,591.06	41,461.74	10,757.11	10,757.11	5,605.15
Clubs	3,227.64	8,166.59	7,950.69	1,489.59	1,591.34	3,341.79
Departments	3,440.06	4,773.35	6,491.07	779.93	779.93	1,722.34
Trusts	17,741.49	32,662.20	37,071.72	110.70	110.70	13,331.97
General	4,521.33	8,553.57	8,325.89	3,226.90	3,125.15	4,850.76
	\$ 39,309.99	\$ 102,013.22	\$ 109,582.98	\$ 18,965.89	\$ 18,965.89	\$ 31,740.23

Congress Middle School  
Management Letter  
Year Ended June 30, 2015

This audit revealed no material instances of noncompliance

**Conniston Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 3630 Parker Avenue  
West Palm Beach, FL 33405

Principal:  
Fiscal Year 2015: Oscar Otero  
During Audit: Oscar Otero

Treasurer:  
Fiscal Year 2015: Adriana Valladares  
During Audit: Adriana Valladares

**Cash and Investments**

Checking	\$ 51,710.89
Investments	
	\$ 51,710.89
	\$ 51,710.89

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 12,107.42	\$ 21,928.86	\$ 24,517.83	\$ 6,866.16	\$ 10,607.55	\$ 5,777.06
Music	2,585.78	4,690.97	3,914.93	1,083.92	1,083.92	3,361.82
Classes	0.00	21,272.78	20,819.03	1,977.00	2,430.75	0.00
Clubs	4,232.28	10,337.99	10,237.32	3,005.41	3,130.22	4,208.14
Departments	4,777.26	18,288.48	16,225.82	3,701.28	5,262.74	5,278.46
Trusts	19,163.48	26,635.25	25,368.27	357.41	4,311.78	16,476.09
General	8,578.94	20,033.43	21,838.83	15,582.96	5,747.18	16,609.32
	\$ 51,445.16	\$ 123,187.76	\$ 122,922.03	\$ 32,574.14	\$ 32,574.14	\$ 51,710.89

## SEGREGATION OF DUTIES

### Finding

During the audit, we noted that the school treasurer was performing incompatible duties. Specifically,

- The school secretary was the assigned custodian for the *Drop-safe Log*. However, the school treasurer had custody of the blank *Drop-safe Log*. In addition, the treasurer, instead of the secretary, was performing the monthly inventory of the *Log* and preparing the *Prenumbered Document Inventory Register (PBSD 0160)* for the secretary's signature to confirm the completion of the required monthly inventory.
- Incoming mails were sorted and distributed by someone other than the treasurer. However, those mails addressed to the treasurer (except the bank statements) were opened by her for processing.

### Recommendation

To ensure fiscal accountability and prevent potential irregularities, segregation of duties should be enforced. Specifically,

- The school's assigned 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*.
- 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 providing the collections to the bookkeeper for deposit.

### Management's Response

*Concur. Recommendations provided are now in place as daily procedures.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The sponsor for the Yearbook Sales (Account #7-0100.01) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.



Conniston Middle School  
Management Letter  
Year Ended June 30, 2015

**Recommendation**

To ensure staff is aware of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

***Management's Response***

*Concur. Yearbook sponsor will complete the training by the end of January 2016.*

**Crestwood Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 64 Sparrow Drive  
Royal Palm Beach, FL 33411

Principal:  
Fiscal Year 2015: Stephanie Nance  
During Audit: Stephanie Nance

Treasurer:  
Fiscal Year 2015: Carrie Richardson  
During Audit: Carrie Richardson

**Cash and Investments**

Checking	\$ 54,534.00
Investments	
	\$ 54,534.00

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 7,948.50	\$ 15,411.58	\$ 17,139.15	\$ 8,898.33	\$ 9,372.99	\$ 5,746.27
Music	3,788.70	37,670.85	39,460.56	9,304.42	8,252.42	3,050.99
Classes	1,054.77	7,778.00	9,547.83	4,883.35	3,332.45	835.84
Clubs	1,575.29	11,664.77	10,900.35	4,066.56	4,827.37	1,578.90
Departments	32,330.47	70,619.51	63,341.31	35,976.21	36,896.16	38,688.72
Trusts	10,130.18	59,417.18	64,962.74	662.94	2,546.75	2,700.81
General	1,643.91	16,081.61	17,229.38	10,719.00	9,282.67	1,932.47
	\$ 58,471.82	\$ 218,643.50	\$ 222,581.32	\$ 74,510.81	\$ 74,510.81	\$ 54,534.00

## DEPOSIT OF MONIES

### Finding

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

- A total \$1,396 in collections accompanied by eight MCRs (#465-1, #465-5, #489-10, #489-5, 489-3, #489-2, #518-9 and #471-11) was retained by the activity sponsors for one to 10 working days before the collections were put into the drop-safe.
- The *Drop-safe Log* was not always completed with all the required information. For example, Section 3 of the *Logs* for eight collections, with a total of \$1,100 collected during July 2014, March through June 2015, did not have the *Official Receipt* numbers and the verifier's signature.
- 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,

- *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.
- 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 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 complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- Segregation of duties should be enforced to ensure fiscal accountability and prevent and detect potential irregularities. Specifically, the treasurer should not collect monies from students and lessees

### Management's Response

*Concur. The principal and school treasurer have reviewed money collection procedures with all staff. In addition, respective activity sponsors and selected school staff have received a refresher training regarding drop safe log procedures; this training also includes outlining segregation of duties to ensure fiscal accountability.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser documentation found that:

- The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Yearbook Sales, (2) Chorus Poinsettia Sales, and (3) P.E. Uniform Sales.
- The Chorus Poinsettia Sales (Account #2-1500.05) did not have the required *Sales Item Inventory Report*. Without the sales information, there is no basis to determine if all sales revenues were properly accounted for.

### Recommendation

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

- Fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.
- *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. Significant discrepancy, if any, between the estimated revenue and actual collection should be investigated and resolved accordingly.

### Management's Response

*Concur. The principal and school treasurer have met with all fundraising sponsors regarding the required eLearning fundraiser training. As part of our checks and balances system, a certificate of completion of this eLearning course is now required prior to the approval of any fundraiser. In addition, sponsors have received refresher training of all fundraiser guidelines.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of sample leasing records for school facility found that leasing charges were not always collected prior to the lessees had begun using the facilities. For example, two of the three monthly rentals for Lease #1008 were not collected until eight and 11 days after the use of facilities; and the leasing charges for Lease #1009 was not collected until three days after the leasehold period began.

**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. The school principal and treasurer have met with all current lessees to discuss leasing guidelines. As per district policy, lessees will not be permitted to use school facilities until leasing charges are collected.*

**Don Estridge High Tech Middle School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 1798 N.W. Spanish River Boulevard  
 Boca Raton, FL 33431

Principal:  
 Fiscal Year 2015: Laura Riopelle  
 During Audit: Laura Riopelle

Treasurer:  
 Fiscal Year 2015: Pamela Utrecht  
 During Audit: Pamela Utrecht

**Cash and Investments**

Checking	\$ 113,464.82
Investments	
	\$ 113,464.82

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 19,080.25	\$ 15,080.80	\$ 21,578.54	\$ 6,262.92	\$ 6,142.74	\$ 12,702.69
Music	2,711.77	52,768.23	51,908.73	26,166.54	24,513.97	5,223.84
Classes	0.00	0.00	0.00	0.00	0.00	0.00
Clubs	5,150.79	3,396.72	3,568.71	2,993.96	2,978.96	4,993.80
Departments	33,694.21	57,734.00	63,091.58	13,828.13	17,535.05	24,629.71
Trusts	54,806.82	136,137.21	149,483.28	54,438.29	38,248.89	57,650.15
General	18,047.97	52,080.52	47,593.63	14,279.38	28,549.61	8,264.63
	\$ 133,491.81	\$ 317,197.48	\$ 337,224.47	\$ 117,969.22	\$ 117,969.22	\$ 113,464.82

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

As indicated by the sponsor on the *Sales Item Inventory Report* for the Student Planners Sales (Account #7-0100.04), 38 Planners were missing by indicating that “*teachers did not return at hand out*”. These 38 planners had a total resale value of \$380.

### **Recommendation**

Significant discrepancy between the estimated revenue and actual collection should be investigated. The investigation results and resolution should be approved by the Principal and documented accordingly.

### ***Management’s Response***

*The planners were distributed to select teachers so that they could use them as a “hallway pass” for 6<sup>th</sup> grade students. They were not missing. They remain in these teachers’ classrooms. Next year we will document the inventory report accordingly.*

**Eagles Landing Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 19500 Coral Ridge Drive  
Boca Raton, FL 33498

Principal:  
Fiscal Year 2015: Cynthia Chiapetta  
During Audit: Cynthia Chiapetta

Treasurer:  
Fiscal Year 2015: Jennifer Seidenstucker  
During Audit: Jennifer Seidenstucker

**Cash and Investments**

Checking	\$ 28,312.26
Investments	
	\$ 28,312.26

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 3,689.99	\$ 6,729.00	\$ 6,958.79	\$ 328.00	\$ 328.00	\$ 3,460.20
Music	9,007.46	78,467.26	82,692.58	19,562.62	19,760.25	4,584.51
Classes	0.00	46,622.02	46,343.36	4,536.53	4,815.19	0.00
Clubs	1,289.91	1,967.70	2,084.60	154.06	738.73	588.34
Departments	4,263.68	52,629.02	49,341.67	12,229.80	15,805.05	3,975.78
Trusts	5,382.13	53,049.26	52,516.93	251.84	86.71	6,079.59
General	13,114.53	10,595.58	18,557.35	7,637.36	3,166.28	9,623.84
	\$ 36,747.70	\$ 250,059.84	\$ 258,495.28	\$ 44,700.21	\$ 44,700.21	\$ 28,312.26



## DEPOSIT OF MONIES

### **Finding**

The school's *End-of-the-Year Teacher Sign-Out Sheet* mistakenly instructed staff to submit all the yellow copies of *Monies Collected Reports* (MCRs) and *Official Receipts* to the school treasurer, instead of the school secretary as required by District's procedures.

### **Recommendation**

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...*" The school should update its *End-of-Year Checklist* to ensure the instructions are consistent with the District's procedures.

### **Management's Response**

*Concur. All teachers and staff who collect money during the SY 15/16 will submit their yellow copies of the MCR and computerized receipts to the School Secretary.*

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The sponsor for the Band Coupon Book Sales did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.

### **Recommendation**

To ensure staff has knowledge of and will be complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activity.

### **Management's Response**

*Concur. In the future, Eagles Landing will require that all teachers/staff who submit a filed trip or fundraiser packet must print out the completed eLearning Training certificate prior to submitting paperwork. Please note that during the first few weeks of school, the eLearning trainings were not available. Many teachers complete fundraiser packets during preschool.*

**Emerald Cove Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 9950 Stribling Way  
Wellington, FL 33414

Principal:  
Fiscal Year 2015: Eugina Smith Feaman  
During Audit: Eugina Smith Feaman

Treasurer:  
Fiscal Year 2015: Virginia Garceau  
During Audit: Virginia Garceau

**Cash and Investments**

Checking	\$ 72,312.21
Investments	
	\$ 72,312.21

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 6,516.12	\$ 15,419.10	\$ 16,980.83	\$ 6,326.14	\$ 6,410.14	\$ 4,870.39
Music	4,568.16	11,669.70	13,137.33	6,276.27	6,276.27	3,100.53
Classes	3,381.11	71,192.00	66,991.24	9,394.83	14,394.83	2,581.87
Clubs	3,308.53	7,441.30	7,123.26	732.96	732.96	3,626.57
Departments	23,764.26	44,736.35	40,619.98	10,870.44	11,536.44	27,214.63
Trusts	8,152.69	101,946.28	86,474.56	6,500.00	6,500.00	23,624.41
General	4,915.77	42,078.75	45,450.71	10,994.08	5,244.08	7,293.81
	\$ 54,606.64	\$ 294,483.48	\$ 276,777.91	\$ 51,094.72	\$ 51,094.72	\$ 72,312.21

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser records found that:

- The fundraiser sponsors for P.E. Uniforms Sales and Campus Yearbook Sales did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015.
- The Campus Yearbook Sales did not have the required *Sales Item Inventory Report*. This report is to assist the reconciliation and accounting for the estimated sales revenue.
- A total of \$27,964 in sales revenue was deposited into the P.E. Uniforms Account (#5-1900.01) during July 1, 2014, through February 9, 2016. However, based on the school’s purchasing records, the *Sales Item Inventory Report* for Fiscal Year 2015, and our observation of the physical inventory during the audit, this fundraiser should have generated a total estimated revenue of \$32,400. As a result, \$4,436 (14%) 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>(3)</sup>	Units Sold		
Shirts	352	1,161	27	116	1,370	\$12	\$16,440
Shorts	369	1,125	25	139	1,330	12	15,960
Total Estimated Revenues							\$32,400
Total \$ Deposited into Internal Funds							\$27,964
<b><i>Estimated Revenues Unaccounted For</i></b>							<b><u>\$4,436</u></b>

- (1) Based on FY15 *Sales Item Inventory Report*.  
 (2) Based on purchasing records during July 1, 2014 and February 9, 2016.  
 (3) Based on physical inventory count on February 9, 2016.

**Recommendation**

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

- To ensure fundraiser sponsors have 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.
- *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.
- 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. Fundraiser sponsors as well as all PE teachers will complete the eLearning training. The yearbook sponsor did have an inventory documentation, however, it was not on the district form. This will be corrected. During the FY14 year, there was a PE uniform purchase prior to 7/1/14 that was possibly unaccounted for in the inventory. The sponsor will take inventory more often and the inventory has been moved.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of leases found that *Lease Agreements* #1013 and #1018 were not signed by the lessees and witnesses until seven and 10 days respectively after the leasehold periods began.

**Recommendation**

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***

*Concur. The lease designee will continue to work with our lessee regarding paperwork in advance for this to occur.*

**Howell L. Watkins Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 9480 MacArthur Boulevard  
Palm Beach Gardens, FL 33403

Principal:  
Fiscal Year 2015: Don Hoffman  
During Audit: Don Hoffman

Treasurer:  
Fiscal Year 2015: Luz-Mery Ocampo  
During Audit: Luz-Mery Ocampo

:

**Cash and Investments**

Checking	\$ 32,624.59
Investments	
	\$ 32,624.59

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 2,523.85	\$ 6,811.01	\$ 6,909.76	\$ 9,552.93	\$ 9,747.99	\$ 2,230.04
Music	1,355.26	55,159.79	55,153.76	11,378.22	11,190.22	1,549.29
Classes	2,172.96	23,222.40	22,979.82	5,545.15	5,574.44	2,386.25
Clubs	2,392.54	20,716.06	18,931.40	6,420.55	6,654.54	3,943.21
Departments	18,896.92	69,687.06	76,156.32	14,518.36	15,200.72	11,745.30
Trusts	4,348.81	27,184.55	24,168.99	444.80	432.56	7,376.61
General	2,917.53	20,744.37	21,208.47	18,691.68	17,751.22	3,393.89
	\$ 34,607.87	\$ 223,525.24	\$ 225,508.52	\$ 66,551.69	\$ 66,551.69	\$ 32,624.59

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records found that the sponsor for the Safe Schools/Step Team Domino's Pizza Cards Sales did not complete the required eLearning Fundraiser Training for Fiscal Year 2015. Moreover, the sponsor used the old *Sales Item Inventory Report* for recording and reconciling the sales revenues, which does not have the Principal signature section. As a result, the *Sales Item Inventory Report* 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 staff has knowledge of and will be 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 reviewed and approved by the Principal.

### **Management's Response**

Concur. Review procedure with fundraiser sponsors to ensure we are in compliance with all training and documentation required to complete fundraiser.

**Independence Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 4001 Greenway Drive  
Jupiter, FL 33458

Principal:  
Fiscal Year 2015: Kathryn Koerner  
During Audit: Kathryn Koerner

Treasurer:  
Fiscal Year 2015: Marlene Taylor  
During Audit: Marlene Taylor

**Cash and Investments**

Checking	\$ 134,540.88
Investments	
	\$ 134,540.88

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 10,528.49	\$ 8,767.00	\$ 10,773.05	\$0.00	\$0.00	\$ 8,522.44
Music	35,308.15	150,942.92	166,394.41	77,374.91	77,374.91	19,856.66
Classes	5,066.64	48,567.26	49,524.15	3,413.82	3,031.34	4,492.23
Clubs	4,739.49	9,730.83	9,589.60	1,921.96	2,432.96	4,369.72
Departments	59,524.97	152,362.24	153,704.09	26,127.31	26,211.55	58,098.88
Trusts	27,629.40	112,259.32	105,821.98	363.87	0.00	34,430.61
General	3,909.64	29,466.14	28,454.33	11,044.95	11,196.06	4,770.34
	\$ 146,706.78	\$ 512,095.71	\$ 524,261.61	\$ 120,246.82	\$ 120,246.82	\$ 134,540.88

Independence Middle School  
Management Letter  
Year Ended June 30, 2015

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, 2015**

Address: 3777 North Jog Road  
West Palm Beach, FL 33411

Principal:  
Fiscal Year 2015: Kevin Gatlin  
During Audit: Kevin Gatlin

Treasurer:  
Fiscal Year 2015: Shelita Andrews  
During Audit: Shelita Andrews

**Cash and Investments**

Checking	\$ 36,408.16
Investments	
	\$ 36,408.16

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 1,507.84	\$ 19,965.49	\$ 20,144.87	\$ 16,270.33	\$ 16,170.33	\$ 1,428.46
Music	1,789.30	1,988.50	2,260.16	1,230.14	1,600.14	1,147.64
Classes	2,744.16	29,641.12	30,025.78	2,688.59	2,859.19	2,188.90
Clubs	1,880.45	9,259.05	10,062.48	1,856.82	2,093.90	839.94
Departments	7,209.10	15,078.61	10,765.36	7,626.99	7,296.99	11,852.35
Trusts	9,967.54	37,981.90	29,459.22	10,255.16	10,319.92	18,425.46
General	1,740.51	1,013.27	2,640.81	1,218.44	806.00	525.41
	\$ 26,838.90	\$ 114,927.94	\$ 105,358.68	\$ 41,146.47	\$ 41,146.47	\$ 36,408.16

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser documentation revealed that:

- The sponsor for the PTO Back Pack Sales did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015. According to staff, the sponsor was a volunteer and did not have access the District's PeopleSoft System to complete the eLearning Training Course.
- The PTO Back Pack Sales and PTO Spirit Wear Sales did not have the required *Fundraising Application/Recap Form* and *Sales Item Inventory Report*.
- The school's purchasing records indicated that 456 backpacks were purchased for resale at \$10 each, which should have generated a total estimated revenue of \$4,560 for all 456 backpacks. However, only \$2,296.05 in sales revenue was deposited into the related account (#6-3300.01). As a result, \$2,263.95 (50%) in estimated revenue was unaccounted for.
- The school purchased 100 hoodies for resale at \$20 each, which should have generated a total estimated revenue of \$2,000 when all the hoodies were sold. However, only \$496 in sales revenue was deposited into the related account (#6-3300.03). Consequently, \$1,504 (75%) of the 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 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 Report* should be completed with accurate information for each fundraiser in order for staff to reconcile the sales revenue with the estimated revenue. Moreover, the *Report* should be approved by the Principal to confirm the legitimacy for any items that were given-away. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

### Management's Response

*Concur. Principal will meet with PTO in April to discuss procedures moving forward.*

## LEASING OF SCHOOL FACILITIES

### **Finding**

*Lease Agreements* were not always executed with all the required signatures prior to use of facilities by lessees. Specifically,

- *Agreement #1005* was neither approved by the Principal nor signed by the lessee and witness until 12 and 22 days respectively after the leasehold period began.
- *Agreement #1006* was not approved by the Principal and signed by the lessee and witness until one day after the leasehold period began.

### **Recommendation**

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***

*Concur. Principal will review protocol with treasurer and leasing administrator.*

**John F. Kennedy Middle School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 1901 Avenue "S"  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2015: Corey Brooks  
During Audit: Corey Brooks

Treasurer:  
Fiscal Year 2015: Cynthia Williams  
During Audit: Linda Mathis

**Cash and Investments**

Checking	\$ 14,361.45
Investments	
	\$ 14,361.45

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 1,082.30	\$ 11,367.75	\$ 10,973.79	\$ 5,941.65	\$ 6,787.88	\$ 630.03
Music	2,862.40	0.00	2,663.14	0.00	0.00	199.26
Classes	0.00	38,248.31	28,695.26	12,210.24	15,597.39	6,165.90
Clubs	3,423.85	6,062.82	11,217.24	6,834.24	4,451.44	652.23
Departments	1,328.43	6,926.00	6,088.93	865.34	2,085.11	945.73
Trusts	4,319.03	35,605.24	38,391.78	2,247.30	2,247.30	1,532.49
General	4,088.48	19,783.04	22,706.06	11,108.70	8,038.35	4,235.81
	\$ 17,104.49	\$ 117,993.16	\$ 120,736.20	\$ 39,207.47	\$ 39,207.47	\$ 14,361.45

## 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 in a timely manner. For example, \$602 collected through 13 MCRs during April through June 2015, was retained by the sponsors for one to three working days before the money was put into the drop-safe for deposit.
- The school's *End-of-Year Check-Out List* instruction does not direct staff to submit the yellow copies and the MCRs and the related computerized *Official Receipts* to the school secretary at the year-end. As a result, 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 and future references at the year-end.

### 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 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...* The school should update its *End-of-Year Check-Out List* directing staff to submit the needed documents to the school secretary for filing and future references at the year-end.

### Management's Response

*Concur. Handouts were distributed to faculty & staff at the beginning of the school year (2015-2016) explaining the process for monies collected, deposits and drop safe logs. We will include the return of the "yellow copies" of the Monies Collected Reports and Official Receipts in our End-of-Year Check-Out List; and an email was sent out to notify faculty/staff of this responsibility.*

## SEGREGATION OF DUTIES

### Finding

During the audit, we noted that the school treasurer was performing incompatible duties. Specifically,

- Although the school secretary was the designated custodian for the *Drop-safe Logs*, the blank *Drop-safe Logs* were maintained by another person (the school treasurer).
- Incoming mails were sorted and distributed by someone other than the treasurer. However, those mails addressed to the treasurer were opened by her for processing.

### Recommendation

To ensure fiscal accountability and prevent potential irregularities, segregation of duties should be enforced. Specifically,

- The designated custodian for the *Drop-safe Logs* should be (1) maintaining the blank *Drop-safe Log*, and (2) using the *Prenumbered Document Inventory Register* (PBSD 0160) to periodically confirm and account for the inventory of the *Log*.
- 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 providing the collections to the bookkeeper for deposit.

### Management's Response

*Concur. The Blank Drop Safe Logs are currently being stored in the School Secretary's Office. All mail addressed to the School Treasurer is opened by the Front Office Assistant. Statements/Invoices are then delivered to the School Treasurer, and all payments (checks) are delivered to the School Administrative Assistant (Secretary). All payments are prepared for deposit by the School Secretary.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records revealed that:

- The sponsors for the School Spirit T-Shirts and School-Wide Candy fundraisers did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015.
- The *Fundraising Application/Recap Forms* for the School Spirit T-Shirts Sales and School-Wide Candy Sales were not approved by the Principal until the fundraiser activities had ended, or seven and eight months respectively after the activities began.

John F. Kennedy Middle School  
Management Letter  
Year Ended June 30, 2015

- The school purchased 585 candy bars for resale. As indicated by the sponsor on the *Sales Item Inventory Report*, 48 bars were given-away and one bar remained in ending inventory. The 536 (585 – 48 – 1) candy bars sold at \$6 each should have generated a total estimated revenue of \$3,216. However, only \$1,633.55 in sales revenue was deposited into the Internal Funds Account (#7-0100.08). As a result, \$1,582.45 (\$3,216 – \$1,633.55, or 49%) in estimated revenue was unaccounted for.
- The Yearbook Sales Account (# 4-2000.01) had \$2,018.28 in deficit at the year-end. The school purchased 126 Yearbooks for resale; however, 80 Yearbooks, with an estimated resale value of \$2,400, were remained in inventory during the audit. Apparently, the deficit was due to the actual quantities sold was much less than the school's estimate.

### **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, they should be pre-approved by the Principal and documented in the *Fundraising Application/Recap Form*.
- To ensure proper fiscal accountability, *Sales Item Inventory Report* should be completed with accurate information for each fundraiser in order for staff to reconcile the sales revenue with the estimated revenue. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.
- To ensure fiscal accountability and self-sufficiency, the school should monitor closely the revenues and expenditures for the Yearbook Account. The school should monitor the number of yearbooks to be printed so that this activity will not incur a deficit.

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

*All fundraiser sponsors have been informed of the online training; and it is mandatory that they submit the certificate of completion along with their fundraiser request packet. Sponsors understand that the request will not be accepted by the Treasurer without proof of training.. Sponsors are aware and understand that all fundraiser requests must be signature approved prior to starting any fundraisers. Sponsors are aware that a Sales item Inventory Report must be completed for all sales items at the beginning and end of each fundraiser. Orders for FY16 yearbooks are placed based on pre-orders/pre-payments, with approximately 10 extras ordered for possible sales. Comment: All unaccounted funds from fundraisers were deposited by sponsors, but unfortunately based on the investigation, it proves that funds were being taken by the previous Treasurer.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Disbursement #18851 (\$517.70) was for payment to rent a bounce house for the May 29, 2014, 8<sup>th</sup> Grade Field Day. However, this vendor was engaged without the use of the *School District Consultant Agreements (PBSD 1420)*.
- Disbursement #18634 (\$1,801.25) was supported by a vendor's statement which indicated a total purchase of \$908.14. Consequently, \$893.11 of the expenditure had no supporting documentation.
- Disbursement #18725 (\$165) was for payment to a District employee who drove the school bus during a baseball game; and Disbursement #18726 (\$100) was for payment to a school police who provided security services during the October 30, 2014, Fall Dance Event. Compensations to employees should have been processed through the District's payroll system.
- Four P-card purchases (totaling \$4,416.95) occurred during January 2015 did not have any supporting documentation for the expenses. Moreover, one of the purchases was \$3,888.64 (on January 15, 2015) which exceeded the \$1,000 per vendor per day limit, but did not have the prior approval from the Purchasing Department.
- Disbursement #18825 (\$5,040.00) was for payment to a charter bus company for the May 15 and 16, 2015, field trip to Orlando. However, the *Field Trip/Activity Planning Report and Approval Request* for this Out-of-County field trip was not approved by the Area Superintendent.

### 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 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)*.
- All expenses should be supported by itemized invoices and receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.
- To ensure proper adherence to IRS Rules in tax withholding, payments for employee compensation should be processed through the District's payroll system.
- P-Card purchase in excess of \$1,000 requires prior approval of the Purchasing Department.



- Field trips should be administered in accordance with ***School Board Policy 2.40***. Specifically, Out-of-County field trips should be approved by the Principal and Area Superintendent.

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

*School Treasurer/Sponsors will make sure that vendors for all events complete PBSD form 1420 and background clearance was conducted. All disbursements will include copies of supporting documentation (invoices, receipts, etc.), verifying payment amount. All payments to employees will be submitted to payroll department for processing. Temp positions have been setup for bus drivers, and protocol for school security services have been explained and understood by the current school Treasurer. The School Treasurer understands that all P-Card purchases exceeding \$1,000 must be pre-approved by the Purchasing Card Dept. The Treasurer understands that she must consult with and get the school Principal's approval prior to making purchases. The current School Treasurer and Sponsors understand that all Out-of-County field trips must be approved by the school Principal, as well as the Area Superintendent prior to the field trip event. Comment: Due to the removal of our previous Treasurer, there was gap in time that we were without coverage in this position. Many files were unable to be located at this time. There were also documents/files taken away from the school site for investigative purposes.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The school had a total of 24 leasing arrangements input into the Tririga System. However, four of them were cancelled after entering into the system; the remaining 20 leases had a total contract amount of \$17,793.60. The review these 20 leases found that:

- Seven of the leases did not have any supporting documentation. Missing documentation included the hard copy of the *Lease Agreements*, and proof of liability insurance from the lessees.
- *Lease Agreements* were not always executed with all the required signatures prior to the use of facilities by lessees. Specifically,
  - *Agreement #1021* was not signed by the lessee, witness, and the Principal.
  - Four *Agreements* (#1002, #1010, #1015 and #1017) was neither signed by the lessees nor a witness.
  - *Agreement #1001* was not signed by a witness.
  - Three *Agreements* (#1001, #1008, and #1007) did not have the dates of the signatures for the lessees, witnesses, and Principal.
  - Eight *Agreements* (#s 1001, 1002, 1003, 1005, 1007, 1010, 1015, and 1017) were not approved by the Principal until one to 322 days after the leasehold periods began.
  - *Agreement #1023* was not signed by the lessee and the witness until one month after the lessee used the facilities.
- Leasing charges for four leases (#1021, #1015, #1023, and #1010) were not collected from the lessees until one, 15, 30, and 50 days respectively, 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 all the required signatures, prior to the lessee's use of facilities. The school should also maintain a hard copy of the *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**, 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.
- **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**

*The current School treasurer understands that all school leases must be complete with all necessary documentation and required signatures of approval at least 2 days prior to starting the event. The Treasurer understands that full payment is expected at least 48 hours prior to starting the event. Comment: Due to the investigation of our previous Treasurer, we were unable to access documentation listed. We were also unable to contact the Treasurer for directions and/or whereabouts of the files.*

**Jupiter Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 15245 North Military Trail  
Jupiter, FL 33458

Principal:  
Fiscal Year 2015: Colleen Iannitti  
During Audit: Colleen Iannitti

Treasurer:  
Fiscal Year 2015: Marianela Bennett  
During Audit: Marianela Bennett

**Cash and Investments**

Checking	\$ 157,575.88
Investments	
	\$ 157,575.88

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 8,112.59	\$ 15,110.85	\$ 11,708.15	\$ 3,922.76	\$ 3,862.76	\$ 11,575.29
Music	29,831.37	190,374.72	212,514.96	51,733.29	50,465.13	8,959.29
Classes	6,624.68	52,150.90	51,714.08	7,593.33	5,720.69	8,934.14
Clubs	10,993.70	19,607.75	15,490.13	8,738.35	8,856.28	14,993.39
Departments	41,984.34	66,014.23	54,076.16	22,326.50	23,067.98	53,180.93
Trusts	25,030.28	68,801.97	55,078.87	2,023.01	4,275.33	36,501.06
General	18,048.88	24,965.05	19,493.08	15,766.54	15,855.61	23,431.78
	\$ 140,625.84	\$ 437,025.47	\$ 420,075.43	\$ 112,103.78	\$ 112,103.78	\$ 157,575.88

## DEPOSIT OF MONIES

### Finding

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

- The independent staff verifier did not always initial/sign in *Section 3* of the *Drop-safe Logs* after confirming that the collections had been recorded into the General Ledger by the school treasurer. For example, 42 of the 49 collections recorded on six pages of the *Drop-safe Logs* (#12-42546, #12-42569, #12-42609, #12-42613, #12-42657, and #12-42667) were not signed by the independent staff verifier.
- The school's *2014-2015 Teachers' End-of-Year Checklist* mistakenly instructed staff to submit all the monies collected and the related MCRs for damaged or lost textbooks as well as all other monies and bills collected to the school treasurer, instead of recording the deposit information on the *Drop-safe Log* and dropping the monies in the safe.

### Recommendation

To ensure proper fiscal accountability and compliance with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, 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. The Drop Safe Log Custodian will verify that the independent staff verifier section of the Drop Safe Logs are signed/completed at the end of each month. In addition the End-of-Year checklist will be revised to direct teachers to record deposits directly on the Drop Safe Log and drop the monies in the safe.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The sponsors for the following three fundraisers did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015: (1) P. E. Uniform Sales, (2) Student T- Shirts, and (3) Student Agenda Sales.

**Recommendation**

To ensure fundraiser sponsors have 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.

***Management's Response***

*Concur. A Fundraising Application will not be approved until the eLearning Fundraiser Training Course is completed and verification of the training completion is done.*

**Lake Shore Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 425 West Canal Street North  
Belle Glade, FL 33430

Principal:  
Fiscal Year 2015: Shundra Dowers  
During Audit: Anthony Lockhart

Treasurer:  
Fiscal Year 2015: Itcelina Smith  
During Audit: Itcelina Smith

**Cash and Investments**

Checking	\$ 16,310.24
Investments	
	\$ 16,310.24

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 2,898.49	\$ 5,418.11	\$ 8,134.31	\$ 327.46	\$ 327.46	\$ 182.29
Music	3,147.91	16,181.95	17,390.33	7,727.48	7,727.48	1,939.53
Classes	2,233.78	18,283.00	19,019.52	1,429.10	1,862.10	1,064.26
Clubs	716.11	1,869.54	1,822.46	0.00	0.00	763.19
Departments	5,206.43	5,805.50	6,222.28	393.87	393.87	4,789.65
Trusts	5,047.27	19,007.33	18,810.27	100.00	127.24	5,217.09
General	3,809.19	14,065.26	15,980.46	6,038.64	5,578.40	2,354.23
	\$ 23,059.18	\$ 80,630.69	\$ 87,379.63	\$ 16,016.55	\$ 16,016.55	\$ 16,310.24

## SEGREGATION OF DUTIES

### Finding

During the audit fieldwork, we noted that:

- The new *Drop-safe Logs* were kept by the school treasurer, instead of the school secretary who was the designated custodian of the *Drop-safe Log*.
- Incoming mails were sorted and distributed by someone other than the treasurer. However, those mails addressed to the treasure were given to her for opening and processing.

### Recommendation

To safeguard school assets through proper segregation of duties,

- 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 record the results on the *Prenumbered Document Inventory Register* (PBSD 0160).
- 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 providing the collections to the bookkeeper for deposit.

### Management's Response

*Concur.*

## DEPOSIT OF MONIES

### Finding

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

- Monies collected were not always deposited in a timely manner. For example, \$1,212.95 collected through six MCRs (#373-7, #418-7, #418-10, #427-3, #424-11 and #421-10) was retained by the sponsors for one to eight working days before the monies were put into the drop-safe for deposit.
- At the year-end, some sponsors did not turn in the yellow copies of the MCRs and the computerized receipt to the school secretary for record keeping.
- *Drop-safe Logs* were not always completed with all the required information. For example, Sections 2 and 3 on page 11-28466 were blank; and Section 3 of pages #11-28410 and #11-28442 were not signed by the verifier who should confirm that the collections had been recorded in the Internal Funds General Ledger.

### Recommendations

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 the District's *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 exposure to staff and 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.
- Responsible staff should properly 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 the 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. Lastly, the verifier should complete *Section 3* of the *Log* to confirm that the treasurer has entered the deposit information into the school's accounting system.

### Management's Response

Concur.

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that:

- The *Sales Item Inventory Report* for the Lake Shore Middle T-shirt Sales (Account #2-1000.07) was neither signed by the fundraiser sponsor nor approved by the Principal.
- The fundraiser sponsors for the Lake Shore Middle T-shirt Sales (Account #2-1000.07) and School-Wide Pink Fling Dance (Account #7-0100.12) did not complete the required eLearning Fundraiser Training during Fiscal Year 2015.

### 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 approved by the Principal to confirm the legitimacy for items, if any, that were given-away free-of-charge, or missing. Significant discrepancy, if any, between the estimated revenue and actual receipt should be investigated and resolved accordingly.
- To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

***Management's Response***

*Concur.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

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

- Two disbursements (#105207 for \$3,941.40 and # 105201 for \$2,160.60) were not supported by itemized invoices or receipts. These two disbursements were supported by Account Statements that did not have the details for the purchases.
- Supporting documents for five sample disbursements, totaling \$13,016.67, were not defaced after payments.

**Recommendation**

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

- Expenditures should be adequately documented and supported by itemized invoices and receipts in order to ensure the purchases are appropriate.
- To avoid potential duplicate payments, supporting documentation should be defaced (stamped "PAID") after payment.

***Management's Response***

*Concur.*

## LEASING OF SCHOOL FACILITIES

### Finding

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

- *Lease Agreement* #1003 was not signed by the lessee.
- The entire amount of the leasing charges for five leases (#1002, #1003, #1006, #1007 and #1008) were recorded in the Rental Income Account (#6-3800) without allocating and recording the utilities portion into the Utilities Account (#6-5500). As a result, the school under-transmitted \$437.81 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 protect the best interest of the School District, all *Lease Agreement* should be properly executed with all the required signatures prior to the use of facilities by lessee.
- The portion of utility fees should be recorded in the Facilities Rental Utilities (#6-5500) and transmitted to the Central Office in accordance with the District's *Approved Rate Schedule*.

### Management's Response

*Concur.*

### Additional Comments

*[Prior Principal] Please note this is the bookkeeper's first audit.*

*[Current Principal] I do not have any comments.*

**Lake Worth Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1300 Barnett Drive  
Lake Worth, FL 33461

Principal:  
Fiscal Year 2015: Tanya Daniel  
During Audit: Michael Williams

Treasurer:  
Fiscal Year 2015: Silvia Torres  
During Audit: Silvia Torres

**Cash and Investments**

Checking	\$ 26,515.20
Investments	
	\$ 26,515.20

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 3,934.54	\$ 18,305.00	\$ 18,665.59	\$ 8,356.76	\$ 8,356.76	\$ 3,573.95
Music	138.74	1,996.55	2,121.87	420.00	420.00	13.42
Classes	3,431.64	5,630.00	6,393.00	868.00	1,703.38	1,833.26
Clubs	2,843.61	2,036.70	1,753.97	723.10	1,225.48	2,623.96
Departments	3,958.69	22,769.94	20,873.49	11,425.97	10,212.57	7,068.54
Trusts	3,370.48	23,261.48	23,605.79	1,119.18	755.33	3,390.02
General	15,938.64	7,189.08	14,876.18	2,920.46	3,159.95	8,012.05
	\$ 33,616.34	\$ 81,188.75	\$ 88,289.89	\$ 25,833.47	\$ 25,833.47	\$ 26,515.20

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The sponsor for the Back Pack Sales Fundraiser (Account#7-0100.01) did not complete the required eLearning Fundraiser Training Course in Fiscal Year 2015,

### **Recommendation**

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. Employee will complete Cash Receipts for Sponsors and Fundraising for Sponsors course online.*

**Lantana Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1225 West Drew Street  
Lantana, FL 33462

Principal:  
Fiscal Year 2015: Edward Burke  
During Audit: Edward Burke

Treasurer:  
Fiscal Year 2015: Leona Burgess-Dotson  
During Audit: Leona Burgess-Dotson

Community School Director:  
Fiscal Year 2015: Christine Osin  
During Audit: Cherie Andrewson

**Cash and Investments**

Checking	\$ 46,180.74
Investments	
	\$ 46,180.74

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 2,705.57	\$ 7,981.97	\$ 9,618.93	\$ 5,240.16	\$ 5,140.16	\$ 1,168.61
Music	0.00	6,513.56	9,197.08	4,689.70	2,006.18	0.00
Classes	4,204.87	19,292.13	18,751.62	6,697.55	6,697.55	4,745.38
Clubs	3,672.20	1,052.99	2,737.15	1,171.84	1,271.84	1,888.04
Departments	18,337.46	30,210.74	28,553.93	9,702.46	9,868.21	19,828.52
Trusts	12,207.83	68,376.70	67,009.99	1,166.80	1,001.05	13,740.29
General	3,296.68	23,482.57	19,285.83	9,279.40	11,962.92	4,809.90
	\$ 44,424.61	\$ 156,910.66	\$ 155,154.53	\$ 37,947.91	\$ 37,947.91	\$ 46,180.74

Lantana Middle School  
Management Letter  
Year Ended June 30, 2015

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, 2015**

Address: 5332 Lake Worth Road  
Greenacres, FL 33463

Principal:  
Fiscal Year 2015: James Thomas  
During Audit: James Thomas

Treasurer:  
Fiscal Year 2015: Carmen Keeling  
During Audit: Carmen Keeling

**Cash and Investments**

Checking	\$ 78,635.82
Investments	
	\$ 78,635.82

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 8,679.03	\$ 20,999.27	\$ 21,114.02	\$ 13,825.53	\$ 13,825.53	\$ 8,564.28
Music	2,319.83	3,014.00	4,656.79	0.00	0.00	677.04
Classes	2,792.38	25,356.00	25,391.08	2,988.49	3,098.49	2,647.30
Clubs	5,305.77	19,683.93	21,016.50	10,548.36	8,957.20	5,564.36
Departments	14,984.77	15,361.75	14,275.77	12,816.00	12,816.00	16,070.75
Trusts	38,939.55	43,456.99	44,291.32	2,561.09	4,760.66	35,905.65
General	11,746.47	39,812.43	43,070.87	12,736.00	12,017.59	9,206.44
	\$ 84,767.80	\$ 167,684.37	\$ 173,816.35	\$ 55,475.47	\$ 55,475.47	\$ 78,635.82

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The General Activities-Long Sleeve Shirts Sales and General Activities-Polo Shirts Sales had the following exceptions:
  - Both fundraisers were conducted by the same sponsor who did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015.
  - Both fundraisers did not have the required *Fundraising Application/Recap Forms* and *Sales Item Inventory Reports*.
  - A total of \$6,917 in sales revenue was deposited into the General Activities-Long Sleeve Shirts (Account #7-0100.07) during the year. However, based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of \$12,680. As a result, \$5,763 (\$12,680 – \$6,917, or 45%) in estimated revenue was unaccounted for.
  - A total of \$8,496 in sales revenue was deposited into the General Activities-Polo Shirts (Account #7-0100.08) during the year. However, based on the school's purchasing records, this fundraiser should have generated a total estimated revenue of \$12,672. As a result, \$4,176 (\$12,672 - \$8,496, or 33%) in estimated revenue was unaccounted for.
- The *Sales Item Inventory Reports* for the following three fundraisers were neither reviewed nor approved by the Principal: (1) Softball Girls Bumper Stickers, (2) Enjoy the City Coupon Books, and (3) 8<sup>th</sup> Grade T-Shirts.

### 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 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. Moreover, the *Sales Item Inventory Report* should be approved by the Principal in order to confirm the legitimacy for any items that were given-away.



- Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

***Management's Response***

*Concur. Discipline taken toward originator of bumper stickers who did so without communication. Reviewed procedures regarding coupon books and class shirts.*

**DEPOSIT OF MONIES**

**Finding**

During Fiscal Year 2015, none of the staff turned-in the yellow copies of the *Monies Collected Reports* (MCRs) and the related computerized *Official Receipts* to the school secretary for filing and future references at year-end.

**Recommendation**

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..." for filing and future references.

***Management's Response***

*Concur. Reviewed with bookkeeper.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

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

- Disbursement #11097 (for \$1,000) was for payment to a consultant for painting artwork and school logo on the school campus. However, the consultant was engaged without the required *School District Consultant Agreement (PBSD 1420)*.
- A June 1, 2015, P-Card purchase (for \$361.88) was supported by a payment receipt that contained only dollar amount without the details for the purchase.
- Disbursement #11357 (for \$3,069.74) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- A June 9, 2015, P-Card purchase (for \$1,355.87) exceeded the \$1,000 per vendor daily limit, 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 District's related 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) 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)*.
- School expenditures should be adequately supported by itemized invoices/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.
- As required by *Purchasing Card Procedures*, P-Card purchase in excess of \$1,000 requires prior approval of the Purchasing Department.

### **Management's Response**

*Concur. Reviewed with necessary staff.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

*Lease Agreement* #1001 was neither approved by the Principal, nor signed by the lessee and a witness until eight, 11, and 15 days respectively after the leasehold period began.

### **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 the use of facilities by lessees.

### **Management's Response**

*Concur. Reviewed and refined leasing procedures.*

## PRENUMBERED DOCUMENTS

### **Finding**

The school did not maintain the *Prenumbered Document Inventory Register (PBSD 0160)* to account for the *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 the *Logs* should use the *Prenumbered Document Inventory Register (PBSD 0160)* to account for the usage and monthly inventory-check of the *Logs*.

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

*Concur.*

**Loggers' Run Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 11584 West Palmetto Park Road  
Boca Raton, FL 33428

Principal:  
Fiscal Year 2015: Francis Giblin  
During Audit: Francis Giblin

Treasurer:  
Fiscal Year 2015: Mary Terese Ott  
During Audit: Mary Terese Ott

**Cash and Investments**

Checking	\$ 358,738.79
Investments	
	\$ 358,738.79

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 5,325.21	\$ 5,722.80	\$ 8,499.78	\$ 2,804.00	\$ 2,804.00	\$ 2,548.23
Music	6,172.57	79,208.35	80,017.96	20,290.24	18,912.51	6,740.69
Classes	0.00	21,639.00	21,228.13	325.87	410.87	325.87
Clubs	11,015.38	10,730.83	5,643.11	5,977.74	5,154.74	16,926.10
Departments	43,774.06	39,405.13	37,548.73	14,046.56	13,653.87	46,023.15
Trusts	258,140.55	79,171.00	104,561.45	350.00	33,699.72	199,400.38
General	86,172.87	7,649.94	37,889.74	35,778.63	4,937.33	86,774.37
	\$ 410,600.64	\$ 243,527.05	\$ 295,388.90	\$ 79,573.04	\$ 79,573.04	\$ 358,738.79

Loggers' Run Middle School  
Management Letter  
Year Ended June 30, 2015

This audit revealed no material instances of noncompliance.

**Odyssey Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 6161 Woolbright Road  
Boynton Beach, FL 33437

Principal:  
Fiscal Year 2015: Bonnie Fox  
During Audit: Bonnie Fox

Treasurer:  
Fiscal Year 2015: Joanni Mullaney  
During Audit: Joanni Mullaney

**Cash and Investments**

Checking	\$ 17,381.51
Investments	
	\$ 17,381.51

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 2,514.14	\$ 9,733.45	\$ 11,225.52	\$ 7,646.82	\$ 8,658.94	\$ 9.95
Music	628.13	2,660.00	3,941.78	785.70	132.05	0.00
Classes	3,153.77	19,483.52	18,515.32	345.00	4,435.01	31.96
Clubs	1,933.13	1,647.12	1,182.93	233.34	2,630.66	0.00
Departments	2,001.08	17,072.00	8,067.84	9,475.50	20,412.62	68.12
Trusts	2,820.02	33,529.23	34,903.22	607.78	574.70	1,479.11
General	9,705.87	23,105.27	34,768.61	21,108.80	3,358.96	15,792.37
	\$ 22,756.14	\$ 107,230.59	\$ 112,605.22	\$ 40,202.94	\$ 40,202.94	\$ 17,381.51

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of documentation for sample fundraisers found that:

- The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Polo Shirts, (2) Yearbook, and (3) P.E Uniform Sale.
- The P.E. Uniform Sales (Account #5-1900.01) was conducted during August 18, 2014, through May 29, 2015. However, the related *Fundraising Application/Recap Form* was neither prepared by the sponsor nor approved by the Principal until May 29, 2015, and June 1, 2015, respectively.

### 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.
- 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. Proper procedures are in place.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that the school did not maintain the *Document Custodian Assignment Register (PBSD 1663)* during Fiscal Year 2015.

### Recommendation

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

### Management's Response

*Concur. Proper procedures are in place.*

**Okeehelée Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 2200 Pinehurst Drive  
Greenacres, FL 33463

Principal:  
Fiscal Year 2015: David Samore  
During Audit: David Samore

Treasurer:  
Fiscal Year 2015: Sandra Hernandez  
During Audit: Sandra Hernandez

**Cash and Investments**

Checking	\$ 114,261.45
Investments	
	\$ 114,261.45

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 5,813.47	\$ 6,883.58	\$ 6,306.66	\$ 2,585.05	\$ 5,227.00	\$ 3,748.44
Music	7,511.35	24,314.25	27,900.82	9,762.62	9,702.64	3,984.76
Classes	14,349.15	63,060.09	63,300.34	7,805.11	10,653.86	11,260.15
Clubs	11,779.87	13,867.10	12,665.32	7,353.00	8,617.08	11,717.57
Departments	67,723.56	51,127.93	53,550.75	19,446.65	18,189.29	66,558.10
Trusts	10,078.68	55,926.16	58,166.84	6,222.19	3.29	14,056.90
General	15.00	70,332.78	66,630.79	9,922.05	10,703.51	2,935.53
	\$ 117,271.08	\$ 285,511.89	\$ 288,521.52	\$ 63,096.67	\$ 63,096.67	\$ 114,261.45



## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that:

- The sponsors for the following three fundraisers did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Sport Banquet and Awards Ceremony, (2) Valentine's Roses, and (3) Chocolate Sales.
- The Yearbook Sale (Account #5-0450.00) did not have the required *Fundraising Application/Recap Form* and *Sales Item Inventory Report*. This fundraiser had a total disbursements of \$6,345.40 and collected \$5,971 in sales revenue. As a result, it incurred a deficit of \$374.40.
- The *Sales Item Inventory Report* for the Chocolate Sale (Account #5-2100.02) was neither reviewed nor approved by the Principal. Moreover, as indicated by the sponsor on the *Report*, 810 chocolate bars with a total estimated resale value of \$810 were given-away without records documenting the purpose and the recipients for the gifts.

### 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 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 or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.
- To ensure proper fiscal accountability, items purchased with school funds and provided free-of-charge to students, staff members, or the community should follow similar requirements as specified in *Bulletin #P-12690-CAO/COO/P* for gift cards, that "*schools must maintain documentation of all recipients of gift cards.*" Records for give-away items should include the purposes and the names of recipients.

### Management's Response

*Concur. Already taken*

Okeehelie Middle School  
Management Letter  
Year Ended June 30, 2015

***Additional Comments:***

*Thank you for your support.*

**Omni Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 5775 Jog Road  
Boca Raton, FL 33496

Principal:  
Fiscal Year 2015: Gerald Riopelle  
During Audit: Gerald Riopelle

Treasurer:  
Fiscal Year 2015: Mirtha Valencia Mohammadzadeh  
During Audit: Mirtha Valencia Mohammadzadeh

**Cash and Investments**

Checking	\$ 111,922.88
Investments	
	\$ 111,922.88

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 14,757.76	\$ 13,833.00	\$ 7,147.30	\$0.00	\$0.00	\$ 21,443.46
Music	5,414.01	46,980.25	45,971.28	12,638.01	12,701.73	6,359.26
Classes	812.98	61,210.00	60,549.73	660.27	1,496.56	636.96
Clubs	8,711.90	35,470.93	27,100.98	3,077.80	4,316.10	15,843.55
Departments	35,291.83	163,787.90	164,858.35	30,501.49	32,320.30	32,402.57
Trusts	20,474.97	51,784.86	52,224.16	2,324.92	7,388.58	14,972.01
General	9,093.61	18,686.27	16,535.59	19,860.76	10,839.98	20,265.07
	\$ 94,557.06	\$ 391,753.21	\$ 374,387.39	\$ 69,063.25	\$ 69,063.25	\$ 111,922.88

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The Math-Go Math (Account #5-1600.01) fundraiser did not have the required *Sales Item Inventory Report*. Moreover, the fundraiser sponsor did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015.

### **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 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.
- 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.

### **Management's Response**

*Concur. Individual meeting with teacher/sponsor to review appropriate steps on the collection of funds for classroom materials. Additionally, sponsor was directed to complete training sessions prior to collection of funds.*

### **Additional comments**

*Please note that with the inventory report there were two items on the same account. There was appropriate documentation for the Algebra material but not for the disposable workbooks.*

**Osceola Creek Middle School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 6775 180th Avenue North  
Loxahatchee, FL 33470

Principal:  
Fiscal Year 2015: Nicole Daly  
During Audit: Nicole Daly

Treasurer:  
Fiscal Year 2015: Dawn Hollandsworth  
During Audit: Tracey Guinaugh

**Cash and Investments**

Checking	\$ 52,898.26
Investments	
	\$ 52,898.26

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 5,452.85	\$ 12,106.69	\$ 11,722.18	\$ 4,445.39	\$ 4,445.39	\$ 5,837.36
Music	6,746.47	13,494.00	14,379.72	2,639.40	2,639.40	5,860.75
Classes	2,299.65	4,846.60	5,012.00	8.67	2,122.27	20.65
Clubs	2,866.72	9,463.75	9,553.74	3,522.31	3,514.81	2,784.23
Departments	12,372.28	71,226.01	67,923.47	21,940.73	21,523.57	16,091.98
Trusts	874.40	16,856.89	14,489.89	324.34	467.00	3,098.74
General	7,332.79	64,960.96	54,920.80	17,736.98	15,905.38	19,204.55
	\$ 37,945.16	\$ 192,954.90	\$ 178,001.80	\$ 50,617.82	\$ 50,617.82	\$ 52,898.26

## DEPOSIT OF MONIES

### **Finding**

The school's *FY15 End-of-Year Sign-Out Sheet* instructed staff to submit all the yellow copies of *Monies Collected Reports* (MCRs) and *Official Receipts* to the treasurer. These documents should be submitted to the school secretary as required by District's procedures.

### **Recommendation**

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...*" The school should update its *End-of-Year Checklist* to ensure the instructions are consistent with the District's procedures.

### **Management's Response**

*Concur. Principal's secretary will collect yellow copies of the MCR and computerized receipts. The collection form has already been changed to SY: 2016.*

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The sponsors for the following three fundraisers did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Yearbook, (2) ID Badges, and (3) Spirit Item Sale.

### **Recommendation**

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.

### **Management's Response**

*Concur. Teachers sponsoring fundraisers have already completed the eLearning Fundraiser Training Course.*

## DOCUMENTATION FOR FIELD TRIPS

### **Finding**

Disbursement #11217 (for \$1,180) was for payment of expenses for the May 18, 2015, Out-of-County Field Trip to Tampa. However, the related *Field Trip/Activity Planning Report and Approval Request (PBSD 1894)* was not approved by the Area Superintendent.

**Recommendation**

Field trips should be administered in accordance with ***School Board Policy 2.40***. Specifically, Out-of-County field trips should be approved by the Principal and Area Superintendent.

***Management's Response***

*Concur. Principal and bookkeeper will verify that the Field Trip/Activity Planning Report and approval Request Form will have the appropriate box checked off prior to activity.*

**Palm Springs Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1560 Kirk Road  
Palm Springs, FL 33461

Principal:  
Fiscal Year 2015: Sandra Jinks  
During Audit: Sandra Jinks

Treasurer:  
Fiscal Year 2015: Lori Cayea  
During Audit: Lori Cayea

Community School Director:  
Fiscal Year 2015: Sean Ashworth  
During Audit: Sean Ashworth

**Cash and Investments**

Checking	\$ 220,298.99
Investments	
	\$ 220,298.99

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 12,127.70	\$ 13,099.72	\$ 12,380.35	\$ 4,914.45	\$ 4,696.29	\$ 13,065.23
Music	11,973.83	29,581.31	34,062.08	19,309.22	13,262.32	13,539.96
Classes	2,552.83	40,843.54	39,444.86	3,232.29	4,496.46	2,687.34
Clubs	34,962.01	58,940.00	50,628.90	13,344.83	12,928.84	43,689.10
Departments	25,556.71	37,086.30	34,340.10	19,567.87	18,047.18	29,823.60
Trusts	58,625.37	108,693.32	111,488.09	3,133.62	3,192.71	55,771.51
General	34,092.63	101,719.88	67,211.78	58,169.10	65,047.58	61,722.25
	\$ 179,891.08	\$ 389,964.07	\$ 349,556.16	\$ 121,671.38	\$ 121,671.38	\$ 220,298.99



## DEPOSIT OF MONIES

### Finding

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

- The check numbers for three checks (totaling \$345) were not indicated on the related MCRs (#625-25, #668-20, and #668-22).
- The school's *2015 End-of-the-Year Check-Out Form* mistakenly instructed staff to submit all the yellow copies of MCRs to the school treasurer. The yellow copies of MCRs should be submitted to the school secretary as required by District's procedures.

### Recommendation

Money collections should be administered in accordance with *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 *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...*" The school should update its *End-of-Year Checklist* to ensure the instructions are consistent with the District's procedures.

### Management's Response

*Concur. We have reinstructed all sponsors to adhere to the guidelines referring to check number of MCRs. The End-of-Year checklist has already been changed to reflect sponsor copies of MCRs should be turned into the Secretary.*

**Polo Park Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 11901 Lake Worth Road  
Lake Worth, FL 33467

Principal:  
Fiscal Year 2015: Ann Clark  
During Audit: Ann Clark

Treasurer:  
Fiscal Year 2015: Elisa Delvechio  
During Audit: Elisa Delvechio

**Cash and Investments**

Checking	\$ 74,979.51
Investments	
	\$ 74,979.51

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 6,541.47	\$ 19,679.00	\$ 18,806.68	\$ 10,116.25	\$ 10,116.25	\$ 7,413.79
Music	1,667.66	3,446.10	4,279.38	0.00	0.00	834.38
Classes	1,500.98	20,307.00	21,120.34	6,733.28	6,719.48	701.44
Clubs	5,018.87	18,165.54	15,643.48	5,348.18	6,243.03	6,646.08
Departments	21,037.48	64,430.28	56,002.50	20,947.38	21,573.73	28,838.91
Trusts	34,180.88	94,149.34	102,077.72	3,411.20	3,343.20	26,320.50
General	3,629.47	11,363.68	12,208.14	5,779.43	4,340.03	4,224.41
	\$ 73,576.81	\$ 231,540.94	\$ 230,138.24	\$ 52,335.72	\$ 52,335.72	\$ 74,979.51

## ACCOUNTS PAYABLE

### Finding

As of June 30, 2015, the school had a total debt of \$23,596.47, payable to the Central Office. Of the \$23,596.47 in debts, \$23,166.25 was cumulative expenses incurred during School Years 2008 (\$21,993.29) and 2009 (\$1,172.96).

### Recommendation

The school should develop a payment plan to address the unpaid debts.

### Management's Response

*Current Polo Park students should not be responsible for previous principal's fiscal mismanagement.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchases found that the *School District Consultant Agreements* (PBSD 1420) for Disbursement #11439 (for \$ 800) was not signed and approved by the Principal.

### 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) 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. Consultant agreements will be signed by principal.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

- The sponsors for three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Agendas Sales, (2) P.E. Uniform Sales, and (3) Coupon Book Sales.

Polo Park Middle School  
Management Letter  
Year Ended June 30, 2015

- The Agenda Sales (Account #7-0100.01) and P.E. Uniform Sales (Account #5-1900.01) fundraisers were conducted during August 2014 through May 2015. However, the related *Fundraising Application/Recap Forms* were not approved by the Principal until after the fundraiser events ended in May 2015.
- The *Sales Item Inventory Report* for the Agenda Sales (Account #7-0100.01) was neither signed by the sponsor nor approved by the Principal. Moreover, as indicated by the sponsor on the *Report*, 207 agenda books were given-away. However, the school's records indicated that 157 agenda books were given-away. The other 50 agenda books, with a total estimated resale value of \$250, did not have records as to who received these items.

### **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.
- 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 approved by the Principal in order to confirm the legitimacy for any items that were given-away, or missing.
- To ensure proper fiscal accountability, items purchased with school funds and provided free-of-charge to students, staff members, or the community should follow similar requirements as specified in ***Bulletin #P-12690-CAO/COO/P*** for gift cards, that “*schools must maintain documentation of all recipients of gift cards.*” Records for give-away items should include the purposes and the names of recipients.

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

*Concur. Participation in eLearning training course on fundraising will be monitored closely. No fundraising will occur without completion of this course.*

**Roosevelt Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1900 North Australian Avenue  
West Palm Beach, FL 33407

Principal:  
Fiscal Year 2015: William Pollard  
During Audit: Moneek Scott-McTier

Treasurer:  
Fiscal Year 2015: Dawnette Smith  
During Audit: Dawnette Smith

Community School Director:  
Fiscal Year 2015: Mary Lisa Stimmler  
During Audit: Mary Lisa Stimmler

**Cash and Investments**

Checking	\$ 98,938.22
Investments	
	\$ 98,938.22

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 7,641.61	\$ 30,139.10	\$ 30,690.73	\$ 10,323.32	\$ 10,323.32	\$ 7,089.98
Music	2,937.32	18,191.72	18,183.97	0.00	50.00	2,895.07
Classes	3,735.22	34,309.62	36,685.11	4,934.40	1,295.18	4,998.95
Clubs	9,564.27	31,884.56	30,180.68	11,044.71	12,651.00	9,661.86
Departments	31,077.73	42,744.77	44,769.17	15,530.35	18,182.74	26,400.94
Trusts	36,983.62	96,022.99	91,075.03	7,698.12	10,015.73	39,613.97
General	7,888.58	8,880.15	11,478.35	9,603.14	6,616.07	8,277.45
	\$ 99,828.35	\$ 262,172.91	\$ 263,063.04	\$ 59,134.04	\$ 59,134.04	\$ 98,938.22

## SEGREGATION OF DUTIES

### **Finding**

During the audit fieldwork, we noted that incoming mails were sorted and distributed by someone other than the school treasurer, but those mails addressed to the treasurer were also given to her for opening and processing.

### **Recommendation**

To safeguard school assets through 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 providing the collections to the bookkeeper for deposit.

### **Management's Response**

*Concur. The principal met with secretary and treasurer to determine the mail distribution procedure.*

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The sponsors for three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Pre-Med Scrub Sales, (2) PE Uniform Sales, and (3) Yearbook Sales.

### **Recommendation**

To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

### **Management's Response**

*Concur. The recommendation was discussed with staff during preschool and will continue to be discussed throughout the year. Also, staff must present their certificate of completion for the fundraising course before a fundraiser is approved.*

## SAFE SCHOOL PROGRAM

### **Finding**

A total of \$1,302 in Safe School Program fees was deposited into the Internal Funds during the year. Based on available records, the school collected a total of \$771 in Safe School program fees. Apparently, some records for collection were missing. Due to the lack of complete fee collection records, we were not able to ascertain whether all revenues were accounted for.

### **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 director will separate the fee based students from the students who receive free services. She will also provide copies of the receipt for fee based students monthly.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The review of school facility leasing records found that:

- The leasing arrangement for Lease #1019 was recorded in the Tririga System. However, the first page, with the lessee's signature, of the physical *Lease Agreement* was missing.
- The \$1,000 leasing charges for Lease #1001 were correctly allocated to the respective accounts and listed on the MCR. However, the entire collection was inadvertently posted to the Rental Income Account (#6-3800) in the accounting system. As a result, the school under-transmitted \$105 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. 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.
- Leasing revenues should be allocated in accordance with the District's approved *Rate Schedule*. The amounts of utility fees, sales tax, and insurance premium should be transmitted to the Central Office accordingly.

### **Management's Response**

*Concur. All leasing will be conducted by the principal's secretary and will be verified by an assistant principal.*

**Tradewinds Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 5090 South Haverhill Road  
Greenacres, FL 33463

Principal:  
Fiscal Year 2015: Rebecca Subin  
During Audit: Rebecca Subin

Treasurer:  
Fiscal Year 2015: Lorraine Baker  
During Audit: Lorraine Baker

**Cash and Investments**

Checking	\$ 70,692.90
Investments	
	\$ 70,692.90

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 7,071.93	\$ 14,418.07	\$ 15,088.49	\$ 7,342.74	\$ 7,397.74	\$ 6,346.51
Music	9,613.70	10,971.31	13,177.12	2,764.88	3,372.75	6,800.02
Classes	6,448.84	55,507.01	55,215.26	11,468.40	8,810.53	9,398.46
Clubs	1,931.08	14,668.62	15,971.68	4,812.90	3,817.74	1,623.18
Departments	22,268.81	24,565.67	22,098.92	8,155.54	12,397.46	20,493.64
Trusts	9,568.67	55,254.61	50,919.93	3,731.55	3,731.55	13,903.35
General	5,526.21	49,604.77	44,255.00	24,692.80	23,441.04	12,127.74
	\$ 62,429.24	\$ 224,990.06	\$ 216,726.40	\$ 62,968.81	\$ 62,968.81	\$ 70,692.90



## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The fundraiser sponsor for the Student Council T-Shirts Sales (Account# 4-4810.01) did not complete the eLearning Fundraiser Training during Fiscal Year 2015, although the sponsor completed the training in prior year (2014).

### **Recommendation**

To ensure staff is aware of the up-to-date fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activity.

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

*Concur. All staff are aware of required trainings and treasurer has provided a list of staff members in compliance for FY16.*

## LEASING OF SCHOOL FACILITIES

### **Finding**

The lessee for Lease #1023 obtained the required liability insurance through the District's insurance pool. The school, however, inadvertently recorded the \$480 in insurance premium in the Rental Income Account (#6-3800.00) instead of the Rental Event Insurance Account (#6-1850.00). As a result, the school under-transmitted \$480 in insurance premium cost to the Central Office.

### **Recommendation**

To facilitate timely and accurate transmission of utility and other leasing fees to the Central Office, rental insurance premium should be recorded in the Rental Facilities Event Insurance (#6-1850). The fee should be transmitted to the Central Office in accordance with the related District's guidelines.

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

*Concur. We had multiple leases in FY15 and we are aware of our mistake with Lease #1023.*

**Watson B. Duncan Middle School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 5150 117th Court North  
Palm Beach Gardens, FL 33418

Principal:  
Fiscal Year 2015: Phillip D'Amico  
During Audit: Phillip D'Amico

Treasurer:  
Fiscal Year 2015: Wendy Walker  
During Audit: Latrice Harris

**Cash and Investments**

Checking	\$ 196,375.51
Investments	
	\$ 196,375.51

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 5,052.75	\$ 10,947.43	\$ 11,248.49	\$ 171.67	\$ 171.67	\$ 4,751.69
Music	8,129.05	53,287.48	46,316.83	17,102.23	16,852.23	15,349.70
Classes	8,056.43	50,740.00	47,961.67	7,598.26	6,151.32	12,281.70
Clubs	15,950.48	33,375.42	34,338.45	6,826.91	4,694.39	17,119.97
Departments	80,268.44	169,884.22	143,907.34	83,172.24	81,446.68	107,970.88
Trusts	33,527.71	94,107.93	86,402.63	564.37	5,601.45	36,195.93
General	2,953.83	6,865.57	6,595.82	80.00	597.94	2,705.64
	\$ 153,938.69	\$ 419,208.05	\$ 376,771.23	\$ 115,515.68	\$ 115,515.68	\$ 196,375.51

## DEPOSIT OF MONIES

### Finding

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

- Monies collected were not always deposited in a timely manner. For example, \$501.11 collected through three MCRs (#738-1, #738-11, and #738-18) was retained by the sponsors for two to 15 working days before the money was put into the drop-safe for deposit.
- The school's *End of Year Sign-Out Sheet* instructed staff to turn-in the yellow copies of MCRs, without indicating the *Official Receipts*, to the school secretary as part of the year-end close-out procedures. As a result, some sponsors did not attach the *Official Receipts* to the yellow copies of MCRs when submitting these documents to the school secretary for filing and future references.

### 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 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...*" The school should update its *End of Year Sign-Out Sheet* to ensure the instructions are consistent with the District's procedures.

### Management's Response

*Concur.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Disbursement #11684 (for \$450) was for payment to a piano accompanist for the band academy solo recital during October and November 2014. However, the *School District Consultant Agreement (PBSD 1420)* did not have the dates for the Principal's and consultant's signatures.

- Two disbursements (#11826 for \$645 and #11924 for \$450) were for payments to two consultants for providing (1) snacks and photography services on February 13, 2015, and (2) yoga instruction during February through April 2015. However, both engagements with the consultants did not have the required *School District Consultant Agreements (PBSD 1420)*.
- Disbursement #12071 (for \$6,578) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- A December 12, 2014, P-Card payment (for \$674.88) to a restaurant was supported by a credit card receipt which did not include the details of the expenditures. In addition, it did not indicate if the expenditure was for business or educational usage.
- A total of \$399.75 in two P-card purchases that occurred on December 2 and 5, 2014, but did not have any supporting documentation for the expenses.
- During December 2014, \$10.45 in sales tax was included in five P-Card purchases.
- A December 15, 2014, P-Card transaction (for \$12,860) was for payment of admission for an out-of-county field trip to Orlando on December 16, 2014. However, the 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,

- To protect the safety and welfare of students, prior to the consultant's 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)*.
- 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 ensure the purchases are appropriate, expenditures should be adequately documented and supported by itemized invoices. Purposes and justifications should be documented for all expenditures.
- The School District is a tax-exempt governmental entity, and should not pay sales tax for eligible purchases.
- Field trips should be administered in accordance with *School Board Policy 2.40*. Specifically, out-of-county field trips should be approved by the Principal and Area Superintendent.

***Management's Response***

*Concur.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of school facility leasing records found that:

- Rental charges were not always collected prior to the use of facilities by the lessees. Specifically,
  - Lease #1006 was for use of facilities during December 2, 2014, through March 15, 2015. However, the monthly rentals totaling \$7,671 for February and March 2015 were not collected from the lessee until March 9, 2015.
  - The \$1,120 in leasing charges for Lease #1014 was not collected until nine days after the leasehold period began.
- \$1,267 in utility fees collected from Lease #1008 was inadvertently recorded in the Rental Income Account instead of the Utilities Facility Rental Account. As a result, the school under-transmitted \$1,267 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,

- ***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.*”
- Utility fees collected from leases should be recorded in the Utilities Facility Rental Account (#6-5500) and transmitted to the Central Office accordingly.

***Management's Response***

*Concur.*

**Wellington Landings Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1100 Aero Club Drive  
Wellington, FL 33414

Principal:  
Fiscal Year 2015: Blake Bennett  
During Audit: Blake Bennet

Treasurer:  
Fiscal Year 2015: Capella Flaherty  
During Audit: Capella Flaherty

**Cash and Investments**

Checking	\$ 138,452.88
Investments	
	\$ 138,452.88

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 7,538.51	\$ 13,839.15	\$ 12,009.56	\$ 1,546.84	\$ 1,546.84	\$ 9,368.10
Music	18,169.14	48,559.70	45,923.85	18,500.34	18,500.34	20,804.99
Classes	9,981.99	72,774.99	72,021.11	5,427.04	5,470.04	10,692.87
Clubs	1,940.23	26,651.62	24,299.45	4,030.51	3,985.84	4,337.07
Departments	48,842.26	47,680.15	44,893.35	16,413.18	16,218.18	51,824.06
Trusts	46,252.05	130,851.67	139,604.86	18,077.26	18,243.93	37,332.19
General	4,897.10	21,434.46	22,207.96	8,065.95	8,095.95	4,093.60
	\$ 137,621.28	\$ 361,791.74	\$ 360,960.14	\$ 72,061.12	\$ 72,061.12	\$ 138,452.88

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The Chorus & Handbell T-Shirts Fundraiser (Account #2-1500.17) did not have the required *Sales Item Inventory Report*. The school purchased 200 T-Shirts for resale at \$10 each, which should have generated a total estimated revenue of \$2,000. However, only \$349 in sales revenue was deposited into the Internal Funds. Consequently, \$1,651 (83%) in estimated revenue was unaccounted for.

### Recommendation

To ensure proper fiscal accountability, *Sales Item Inventory Report* should be completed with accurate information for each fundraiser in order for staff to reconcile the sales revenue with the estimated revenue. The *Report* should be approved by the Principal to confirm the legitimacy for any items that were given-away free-of-charge, or missing. Moreover, significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

### Management's Response

*Concur.*

## DEPOSIT OF MONIES

### Finding

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

- Two pages (#12-45230 and #12-45266) of the *Drop-safe Logs* were missing. Based on the available *Drop-safe Logs*, these pages should contain the information for monies collected during September 30, through October 1, 2014, and December 17 through 19, 2014, respectively.
- \$1,012.75 collected through 12 MCRs (#671-1 through #671-9, #671-11, #671-12, and #671-17) were not processed by the school treasurer and deposited into the bank until six to seven working days after the monies were put in the safe by the sponsors.

### 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,

- To ensure proper fiscal accountability and as required by *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, "Completed *Drop Safes Logs* must be filed sequentially in numerical order in a binder and retained for five years."

- **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.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

The review of sample disbursements and P-Card purchases found that two P-card purchases, \$15 and \$33.24, occurred on November 8 and November 14, 2014, respectively, did not have supporting documentation.

**Recommendation**

To ensure that purchases are appropriate, school expenditures should be adequately supported by itemized invoices/receipts. Without adequate supporting documentation, there is no assurance that the expenses were appropriate.

***Management's Response***

*Concur.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The review of records for leasing of school facilities found that the school did not always allocate the rental fees in accordance with District's guidelines. Specifically, for Leases #1001, #1002, and #1007, the school (1) over-allocated and over-paid the School District a total of \$271.26 in utility fees; and (2) under-allocated and under-transmitted \$248.60 in sales tax to the Central Office.

**Recommendation**

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).

***Management's Response***

*Concur.*



**Western Pines Middle School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 5949 140 Avenue North  
 Royal Palm Beach, FL 33411

Principal:  
 Fiscal Year 2015: Robert Hatcher  
 During Audit: Robert Hatcher

Treasurer:  
 Fiscal Year 2015: Tammi LeBlanc  
 During Audit: Tammi LeBlanc

**Cash and Investments**

Checking	\$ 151,818.73
Investments	
	\$ 151,818.73

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 6,708.54	\$ 12,325.50	\$ 12,721.79	\$ 15,357.17	\$ 15,560.77	\$ 6,108.65
Music	2,699.39	10,198.74	9,454.66	7,506.70	7,401.81	3,548.36
Classes	4,342.41	8,312.64	8,386.78	671.19	1,439.22	3,500.24
Clubs	5,924.54	13,291.04	12,929.57	2,957.34	2,982.34	6,261.01
Departments	65,597.68	93,012.83	84,366.67	39,828.68	40,376.38	73,696.14
Trusts	43,222.79	60,343.16	64,059.89	6,281.00	5,108.17	40,678.89
General	5,637.10	53,313.22	41,191.49	7,834.45	7,567.84	18,025.44
	\$ 134,132.45	\$ 250,797.13	\$ 233,110.85	\$ 80,436.53	\$ 80,436.53	\$ 151,818.73

## 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 in a timely manner. For example, \$635 collected through MCRs #449-4 and #449-9 were retained by the sponsors for three working days before the monies were put into the drop-safe for deposit.

### Recommendation

*DOE Rules (Chapter 8 of the Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools)* require that monies collected be deposited into the drop-safe daily and to the bank within five working days after collection. Delay in submitting the monies for deposit could increase the exposure to staff and may result in potential irregularities.

### Management's Response

*Concur. We will reiterate to the teachers that they have to deposit monies daily.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that the sponsor for the National Honor Candy Sales did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015.

### Recommendation

To ensure fundraiser sponsors have 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.

### Management's Response

*Concur.*

**Woodlands Middle School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 5200 Lyons Road  
Lake Worth, FL 33467

Principal:  
Fiscal Year 2015: Jeffrey Eassa  
During Audit: Jeffrey Eassa

Treasurer:  
Fiscal Year 2015: Vilma Fedor  
During Audit: Vilma Fedor

**Cash and Investments**

Checking	\$ 101,056.07
Investments	
	\$ 101,056.07

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 11,430.65	\$ 8,892.44	\$ 9,675.35	\$ 6,484.21	\$ 5,034.58	\$ 12,097.37
Music	9,025.66	46,425.51	50,807.99	10,490.54	10,605.54	4,528.18
Classes	541.62	14,441.00	14,224.96	1,466.68	1,113.83	1,110.51
Clubs	4,478.56	2,507.50	3,040.30	550.50	1,564.45	2,931.81
Departments	65,405.30	72,979.59	90,198.40	18,063.83	19,513.46	46,736.86
Trusts	33,657.17	69,182.12	70,194.06	4,326.01	4,593.79	32,377.45
General	825.91	1,754.10	2,350.00	2,095.07	1,051.19	1,273.89
	\$ 125,364.87	\$ 216,182.26	\$ 240,491.06	\$ 43,476.84	\$ 43,476.84	\$ 101,056.07

## DEPOSIT OF MONIES

### Finding

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

- Collections were not always deposited into the bank account in a timely manner. For example, three collections (MCRs #214, #381, and #407, totaling \$413) were not processed by the school treasurer until six to 18 working days after the monies were put into the drop-safe by the sponsors.
- The school's *2015 End-of-Year Checkout List* mistakenly instructed staff to submit all the yellow copies of MCRs to the school treasurer. Yellow copies of the MCRs should be submitted to the school secretary as required by District's procedures.

### 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 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...*" The school should update its *End-of-Year Checklist* to ensure the instructions are consistent with the District's procedures.

### Management's Response

*Concur. Will comply with requirements immediately.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

- The sponsors for the following two fundraisers did not complete the required annual eLearning Fundraiser Training Course during Fiscal Year 2015: (1) T-Shirt Sale, and (2) Year Book Sale.

- The review of the *Sales Item Inventory Reports* for the T-Shirt Sales (Account #3-3800.02), Coupon Book Sales (Account# 2-1000.02), and P.E. Uniforms Sales (Account #5-1900.01) found that the sponsors indicated that some fundraiser items were provided to students free-of-charges. These give-away items had a total estimated resale value of \$882 (\$312, 140, and \$430 respectively). However, no documentation was maintained for the purposes and the recipients of these give-away items.

### **Recommendation**

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

- To ensure fundraiser sponsors have 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 proper fiscal accountability, merchandizes purchased with school funds and provided free-of-charge to students, staff members, or the community should follow similar requirements as specified in *Bulletin #P-12690-CAO/COO/P* for gift cards, that “schools must maintain documentation of all recipients of gift cards.” Records for give-away items should include the purposes and the names of recipients.

### **Management’s Response**

*Concur. Will be rectified immediately.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The school did not maintain the *Prenumbered Document Inventory Register (PBSD 0160)* for *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 the *Logs* should use the *Prenumbered Document Inventory Register (PBSD 0160)* to account for the usage and monthly inventory-check of the *Logs*.

### **Management’s Response**

*Concur. Will immediately comply with Internal Accounts Manual.*

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# **High Schools**

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**Alexander W. Dreyfoos School of Arts School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 501 South Sapodilla Avenue  
 West Palm Beach, FL 33401

Principal:  
 Fiscal Year 2015: Susan Atherley  
 During Audit: Susan Atherley

Treasurer:  
 Fiscal Year 2015: Sandra Bullock  
 During Audit: Sandra Bullock

**Cash and Investments**

Checking	\$ 563,060.07
Investments	
	\$ 563,060.07

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 9,365.78	\$ 16,649.04	\$ 15,537.57	\$ 3,336.30	\$ 3,336.30	\$ 10,477.25
Music	71,812.76	226,501.06	237,916.14	95,243.89	95,686.07	59,955.50
Classes	25,752.40	125,340.29	117,344.25	37,972.12	37,990.29	33,730.27
Clubs	44,735.75	44,201.82	43,656.97	11,144.84	15,063.91	41,361.53
Departments	162,791.18	458,333.65	418,322.35	191,302.62	193,291.58	200,813.52
Trusts	157,393.54	314,204.76	336,468.30	9,153.35	4,518.19	139,765.16
General	92,643.96	52,334.03	69,754.37	37,826.33	36,093.11	76,956.84
	\$ 564,495.37	\$1,237,564.65	\$1,238,999.95	\$ 385,979.45	\$ 385,979.45	\$ 563,060.07

## DEPOSIT OF MONIES

### **Finding**

The review of sample *Monies Collected Reports* (MCRs) and the money collection process at the school found that the total dollar amounts listed on three sample MCRs (#928-19, #928-25, and #928-27) were manually reduced by a total of \$200 by the school treasurer after she counted the monies. However, the changes were not signed or initialed by the respective sponsors to acknowledge the changes.

### **Recommendation**

To ensure proper fiscal accountability, changes on MCRs made by the treasurer should be initialed and agreed by the sponsors.

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

*Two people count the money and initial when incorrect, then an email is sent to the sponsor, sponsor replies, and copy of email is attached to money collected.*

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The *Sales Item Inventory Reports* for the 2017 T-Shirts Sales (Account #3-2017.17) and 2018 T-Shirts Sales (Account #3-2017.18) were not completed with accurate information. Specifically, the quantities of T-Shirts purchased listed on the *Reports* did not agree with the school's purchasing records.

### **Recommendation**

*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. Significant discrepancy, if any, between the estimated revenue and actual collection should be investigated and resolved accordingly.

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

*Concur. Two fundraisers were completed and sponsor got confused on which shirts went with each class. She is now only running one fundraiser.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of school facility leasing records found that:

- The *Certificate of Insurance* for Lease #1002 mistakenly listed the School District, instead of the School Board, as an additional insured party for liability insurance coverage.
- The *Certificate of Insurance* for Lease #1016 did not include the School Board as an additional insured party for liability insurance coverage.
- *Lease Agreement* #1004 was not signed by the lessee and the 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*, 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 protected from unwarranted liability.
- *Lease Agreements* should be properly executed with all the required signatures prior to the use of facilities by lessees.

### Management’s Response

*Concur. We have a new person in charge of leases. Former no longer works here.*

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, 2015**

Address: 2455 West Atlantic Avenue  
Delray Beach, FL 33445

Principal:  
Fiscal Year 2015: Anthony Lockhart  
During Audit: Tara Dellegrotti

Treasurer:  
Fiscal Year 2015: Mary Stacey  
During Audit: Mary Stacey

Community School Director:  
Fiscal Year 2015: Mary Powers  
During Audit: Mary Powers

**Cash and Investments**

Checking	\$ 482,484.18
Investments	
	\$ 482,484.18

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 46,892.58	\$ 179,820.51	\$ 192,669.96	\$ 31,038.88	\$ 28,370.63	\$ 36,711.38
Music	58,972.70	70,766.12	77,742.01	18,553.75	19,505.39	51,045.17
Classes	11,325.08	46,617.00	45,545.57	23,028.10	22,918.10	12,506.51
Clubs	58,498.09	109,277.51	97,264.46	31,734.61	36,147.55	66,098.20
Departments	74,326.57	73,170.48	69,353.99	13,744.70	15,325.51	76,562.25
Trusts	223,850.34	234,304.43	214,853.87	8,874.39	14,712.25	237,463.04
General	3,809.84	6,696.93	18,414.14	10,005.00	0.00	2,097.63
	\$ 477,675.20	\$ 720,652.98	\$ 715,844.00	\$ 136,979.43	\$ 136,979.43	\$ 482,484.18

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of sample fundraiser records found that:

- The Band Coupon Books Sales (Account #2-1000.01) had a total of \$ 7,295 in sales revenues deposited into the Internal Funds during July 2014 through June 2015. Based on the school’s purchasing records, the *Sales Item Inventory Report* for School Year 2015, and our examination of the inventory during the audit, this fundraiser should have generated a total estimated revenue of \$9,990. As a result, \$2,695 in estimated revenue was unaccounted for.

Item	Quantity					Selling Price	Estimated Revenues
	Beginning Inventory <sup>(1)</sup>	Purchases <sup>(2)</sup>	Items Given Away	Inventory on Hand <sup>(3)</sup>	Units Sold		
2014-15 Coupon Books	-	500	-	20	480	\$20	\$9,600
2013-14 Coupon Books	78				78	5	\$390

Total Estimated Revenue	\$9,990
Total \$ Deposited into Internal Funds	\$7,295
<b>Estimated Revenues Unaccounted For</b>	<b>\$2,695</b>

- (4) Based on FY15 *Sales Item Inventory Report*.
- (5) Based on purchasing records during Fiscal Year 2015.
- (6) Based on our examination of the inventory on July 28, 2015.

- The *Sales Item Inventory Report* for the JROTC Discount Books Sales (Account #4-3200.06) was not approved by the Principal. As indicated on the *Report* by the fundraiser sponsor, 15 discount books (with an estimated resale value of \$300) were given-away free-of-charge; but it did not have any records for the purpose and recipients of these give-away items. Moreover, the sponsor did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.

**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 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, or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.
- To ensure proper fiscal accountability, items purchased with school funds and provided free-of-charge to students, staff members or the community should follow similar requirements as specified in *Bulletin #P-12690-CAO/COO/P* for gift cards, that “schools must maintain documentation of all recipients of gift cards.” Records for give-away items should include the purposes and the names of recipients.

- To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

***Management's Response***

*Concur. Met with staff and went over policy and procedures and expectations.*

**DEPOSIT OF MONIES**

**Finding**

The review of sample *Monies Collected Reports* (MCRs) and money collection process at the school found that MCR #705-29 (for \$1,375) was for collection of Swim Team Dues from 11 students. Although students' names and dollar amounts of collections were noted on the MCR, the payment forms (cash or check) were not indicated on the MCR as required.

**Recommendation**

Money collections should be administered in accordance with ***Internal Accounts Manual***, and related District guidelines. Specifically, the payment check numbers should be noted on the "CHECK #" column of the MCR if payments were made by checks.

***Management's Response***

*Concur. Met with staff and went over policy and procedures regarding monies collected forms.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

The review of records for sample disbursements found that Disbursement #13661 (for \$10,202.30) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.

**Recommendation**

*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. All purchases should be pre-approved by the Principal.

***Management's Response***

*Concur. Met with staff and went over purchase order requirements and procedures.*



## ADULT EDUCATION AND COMMUNITY SCHOOL PROGRAMS

### **Finding**

District procedures require that Adult Education tuition fee collections be transmitted monthly to the Central Office within five working days after the close of accounting period. The review of school's records found that the related fees for six of the 12 months were not transmitted to the Central Office in a timely manner, with delays ranging from two to 41 days.

### **Recommendation**

Fees collected from these programs should be timely transmitted to the Central Office in accordance with District's guidelines.

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

*Concur. Met with Adult Education Department and went over policy and procedures of monies transmitted.*

## LEASING OF SCHOOL FACILITIES

### **Finding**

*Lease Agreement* #1001 was not approved by the Principal, and was not signed by the lessee and a witness until two and 11 days, respectively after the leasehold period began.

### **Recommendation**

To protect the best interest of the School District, *Lease Agreements* should be properly executed with all the required signatures prior to the use of facilities by lessees.

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

*Concur. Met with leasing coordinator ensure proper procedures are followed.*

## PRENUMBERED DOCUMENTS

### **Finding**

The review of controls in prenumbered documents found that the *Prenumbered Document Inventory Register (PBSD 0160)* for prenumbered tickets was not completed with all the required information. Missing information included the beginning inventory and number of tickets used during the year.

**Recommendation**

As required by *Chapter 27 of the Internal Accounts Manual*, the *Prenumbered Document Inventory Register (PBSD 0160)* should be completed with all the needed information.

***Management's Response***

*Concur. Met with staff and completed a training on ticket sales of parties involved.*

**Boca Raton High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1501 N.W. 15th Court  
Boca Raton, FL 33486

Principal:  
Fiscal Year 2015: Geoffrey McKee  
During Audit: Geoffrey Mckee

Treasurer:  
Fiscal Year 2015: Lisa Rivera  
During Audit: Lisa Rivera

Community School Director:  
Fiscal Year 2015: Deborah Nash-Utterback  
During Audit: Deborah Nash-Utterback

**Cash and Investments**

Checking	\$ 601,243.35
Investments	
	\$ 601,243.35

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 67,938.85	\$ 375,854.75	\$ 383,973.94	\$ 65,261.48	\$ 50,485.38	\$ 74,595.76
Music	23,335.19	119,729.43	123,884.39	53,179.76	50,870.82	21,489.17
Classes	12,328.56	14,573.43	13,958.97	11,246.07	17,231.07	6,958.02
Clubs	80,557.62	368,093.50	383,912.53	134,580.73	129,933.07	69,386.25
Departments	119,664.20	262,727.84	224,032.16	67,923.78	71,813.10	154,470.56
Trusts	260,941.23	534,717.01	558,979.71	16,248.28	8,806.42	244,120.39
General	12,193.10	133,082.25	95,751.91	65,799.14	85,099.38	30,223.20
	\$ 576,958.75	\$1,808,778.21	\$1,784,493.61	\$ 414,239.24	\$ 414,239.24	\$ 601,243.35

## ONGOING INVESTIGATION

The 2015 audit identified numerous irregularities in monies collection at the school. On October 2, 2015, some audit conclusions were referred to the School Police for further investigation. Details of these referred conclusions will be presented in a subsequent report.

## DEPOSIT OF MONIES

### Finding

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

- The required *Prenumbered Document Inventory Register* (PBSD 0160) was not maintained for the *Drop-safe Log*; and there was no record for the monthly inventory check for the *Log*.
- Some activity sponsors did not always record the deposit information (example MCR #1798-27 for \$1,921) on the *Drop-safe Log* before dropping off the monies into the safe.
- The total dollar amounts for deposit listed on four MCRs (#1726-13, #1798-26, #1798-27, and #1798-33) were changed after the school treasurer counted the monies. However, the changes on the MCRs were not signed off or initialed by the sponsors to agree to the changes.
- Six MCRs (#1726-12, #1726-13, #1726-21, #1798-26, #1798-27, and #1798-33, totaling \$3,396.62) did not contain all the required information. Missing information included the *Official Receipt* dates, account names, and the remitters' signatures.

### 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 *Chapter 27 of the Internal Accounts Manual*, the *Drop-safe Log* should be inventory-checked monthly, and documented through the completion of the *Prenumbered Document Inventory Register* (PBSD 0160).
- As required by *Bulletin #P-14051-S/CFO*, deposit information should be properly recorded on the *Drop-safe Log*.
- To ensure proper fiscal accountability, subsequent change of record on MCRs made by the treasurer should be agreed and signed off by the related sponsors.

- 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, if applicable.

**Management’s Response**

*Concur. We have a new bookkeeper. She is aware of district procedures and is working to make sure all staff members abide by those procedures. Also, additional training will be provided for staff members who handle collected funds.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of sample fundraiser records found that:

- In previous year’s (Fiscal Year 2014) Audit, two fundraiser sponsors were found not completing the required fundraiser documentation: (1) *Sales Item Inventory Report* for Yearbook Sales (Account # 5-0450.00) and (2) *Ticket Sellers Report* for Prom Admission Ticket Sales (Account #6-4401.00). During this year (2015) Audit, we noted that the same two staff repeated the noncompliance again for the same fundraiser. Both cases are referred to the Office of Professional Standards for necessary actions.
- The Athletic- Football T’s (Account #1-2020.01) did not have the required *Sales Items Inventory Report*. Moreover, the sponsor did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015. Based on the school’s purchasing records and our examination of the inventory during the audit, this fundraiser should have generated a total estimated revenue of \$3,388. However, only \$443 in sales revenue was deposited into the Internal Funds. As a result, \$2,945 in estimated revenue was unaccounted for.

Item	Quantity				Selling Price	Revenues	
	Beginning Inventory	Purchases <sup>(1)</sup>	Items Given Away	Inventory on Hand <sup>(2)</sup>			Units Sold
T-Shirts	0	975	0	491	484	\$7	\$3,388
						Total Estimated Revenue	\$3,388
						Total \$ Deposited into Internal Funds	\$443
						<b>Estimated Revenues Unaccounted For</b>	<b>\$2,945</b>

(7) Based on purchasing records during July1, 2014 through June 30, 2015.

(8) Based on physical inventory count performed by auditors on August 4, 2015.

- The Class of 15 T’s (Account # 3-2015.01) did not have the required *Sales Items Inventory Report*, and the sponsor did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015. The school purchased 327 T-shirts for resale at \$10 each, which should have generated a total estimated revenue of \$3,270. According to the school’s accounting records, a total of

\$1,790 in sales revenue was deposited into the Internal Funds during the year. As a result, \$1,480 in estimated revenue was unaccounted for.

- The *Sales Item Inventory Report* for the Athletic Girls Soccer Go Pink Tees (Account #1-5030.01) was not completed with accurate information. Specifically, the *Report* indicated that the shirts were sold at \$7.20 each. However, staff indicated that shirts were sold at two different prices: \$7.20 for class and clubs and \$10 for the general public.

### **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. 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, or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.
- To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

### **Management's Response**

*Records were kept, though involved staff members have reported that the former bookkeeper told them they did not need to submit those records. Maintained records are available, if needed. The new bookkeeper is following procedures.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Five disbursements (#56593 for \$10,115.33, #57661 for \$2,480, #59113 for \$43,984.25, #59114 for \$12,870, and #59324 for \$2,163.20, totaling \$71,612.78) exceeded the \$1,000 *Purchase Order* threshold. However, none of these disbursements had the required *Purchase Orders*.
- Disbursement #29113 (for \$43,984.25) was for payment of expenses for the Prom Dance Event. However, the related contract was signed by the sponsor, instead of the Principal.

### 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 being made; and (2) *Purchase Orders* should be issued for purchases in excess of \$1,000.
- Contractual agreements should be approved by the Principal as required by *District Administrative Directive D-6.03*, which states "*the Principal of the school is the only person to whom authority has been granted to make any purchase that in any way obligate the school for payment.*"

### Management's Response

*Concur. The Prom sponsor informed me that she managed the contract and payment of bills exactly as the bookkeeper directed her. The sponsor no knows the policy. The new bookkeeper will properly document expenditures.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of school facility leasing records found that Lease #1035 was for leasing of the school's swimming pool. However, the school did not allocate and transmit the \$950 (50% of the rental) utility fee to the Central Office. Instead, the utility fee was included in the school's Pool Lease Fund Account (#6-5501). In addition, the leasing charges were not collected until 107 days after the lessee had used the facilities.

**Recommendation**

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

- The school should transmit the \$950 in utility charges to the Central Office.
- *School Board Policy 7.18*, requires that 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. A University of Pennsylvania representative said that a change of personnel in their bookkeeper office delayed payment. Our lease coordinator did not prohibit access since they came from Pennsylvania. A check for \$950 is being transmitt4d to the central office.*

***Additional comments:***

*As indicated by several of these audit findings, changes are needed in our procedures for training staff and monitoring internal account activities. The new bookkeeper is very proficient and committed. Also, sponsors and coaches will be required to watch the eLearning Fundraising training video before fundraisers are approved.*



**Boynton Beach High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 4975 Park Ridge Boulevard  
Boynton Beach, FL 33426

Principal:  
Fiscal Year 2015: Fred Barch  
During Audit: Fred Barch

Treasurer:  
Fiscal Year 2015: Beth Bauer  
During Audit: Beth Bauer

Community School Director:  
Fiscal Year 2015: Gary Groover  
During Audit: Vacant

**Cash and Investments**

Checking	\$ 121,510.72
Investments	
	\$ 121,510.72

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 29,705.91	\$ 143,304.37	\$ 147,575.17	\$ 64,374.74	\$ 66,801.49	\$ 23,008.36
Music	1,655.78	56,454.61	55,225.58	18,952.81	17,683.81	4,153.81
Classes	108.47	26,877.50	40,617.30	17,135.40	2,093.46	1,410.61
Clubs	12,346.90	32,680.88	41,247.45	20,624.77	17,094.97	7,310.13
Departments	36,130.96	183,375.68	179,289.12	81,618.03	80,213.31	41,622.24
Trusts	42,266.90	262,972.01	242,925.68	8,684.56	28,081.82	42,915.97
General	1,359.40	4,963.50	5,811.85	2,451.80	1,873.25	1,089.60
	\$ 123,574.32	\$ 710,628.55	\$ 712,692.15	\$ 213,842.11	\$ 213,842.11	\$ 121,510.72

## DEPOSIT OF MONIES

### Finding

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

- MCR #939-9 was attached with nine *Classroom Receipts* (#13-238710 through #13-238718) for a total collections of \$200. However, this MCR listed only eight collections for a total of \$190; and the other \$10 collected through *Classroom Receipt* #13-238715 was missing.
- The school did not perform the required monthly inventory check of the *Drop-safe Logs*.

### Recommendation

To ensure proper fiscal accountability, 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 related District guidelines. Specifically,

- The school treasurer should verify the accuracy of monies turned in by sponsors for deposit prior to entering records into the General Ledger. Discrepancies between the amount of monies turned in and the amount on related collection records should be investigated and resolved accordingly.
- As required by *Chapter 27 of the Internal Accounts Manual*, *Drop-safe Log* should be inventory-checked monthly and documented on the *Prenumbered Document Inventory Register* (PBSD 0160).

### Management's Response

*Concur. Treasurer will balance classroom receipts with monies collected reports prior to processing. Drop safe logs will be inventoried monthly.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records found that:

- The sponsors for three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Athletics Football Discount Cards, (2) Cheer Decals, and (3) P.E. Uniforms Sales.
- The Athletics-Football Discount Cards (Account #1-2020.05) fundraiser had the following noncompliance:

- There was no payment records for the purchase of the Discount Cards. According to staff, the vendor was paid with the money collected from the sales, instead of paying the vendor with a school check.
- 16 Discount Cards, with an estimated resale value of \$320, were given-away free-of-charge without documentation.
- The *Sales Item Inventory Report* was not approved by the Principal.
- The P.E. Uniforms Sales (Account #5-1900.01) did not have the required *Sales Item Inventory Report*.
- The Recap Section (actual sales) of the *Fundraising Application/Recap Forms* for three fundraisers were neither completed by the sponsor nor verified by the school treasurer after the fundraiser event: (1) Athletics Football Discount Cards, (2) Class of 2015 Enjoy the City Coupon Books, and (3) P.E. Uniforms Sales.

### **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 fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.
- Pursuant to *DOE Rules, Section III – 1.4(c)*, “all money collected must be deposited intact to a depository...” Disbursements should be made with school checks and processed through the Internal Funds Accounting System.
- To ensure proper fiscal accountability, items purchased with school funds and provided free-of-charge to students, staff members, or the community should follow similar requirements as specified in *Bulletin #P-12690-CAO/COO/P* for gift cards, that “schools must maintain documentation of all recipients of gift cards.” Records for give-away items should include the purposes and the names of recipients.
- *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. Significant discrepancy, if any, between the estimated revenue and actual collection should be investigated and resolved accordingly.
- Fundraiser sponsor should complete the Recap (actual sales) portion of the *Fundraiser Application/Recap Form* at the end of the fundraiser. The sales revenues should be reconciled to the Internal Funds accounting records.

***Management's Response***

*Concur. PE Uniform and Enjoy the City fundraisers were completed 6/3-6/4 respectively. The Football discount card fundraiser could not be verified by the treasurer because the sponsor did not comply with policy. Teacher, coaches and all fundraisers were instructed to complete eLearning lessons prior to fundraiser.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

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

- The *Consultant Agreement* for Disbursement #11248 (for \$5,760) was not approved by the Principal and the consultant's signature was not dated.
- Disbursement #11289 (for \$2,100) was for payment of a consultant for mural painting without the required *Consultant Agreement (PBSD 1420)*.
- Disbursements #11584 (for \$5,268) 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,

- 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 check must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465*.
- Pursuant to the District's *Purchasing Manual* and *Internal Accounts Manual*, all Internal Funds purchases require (1) Principal's approval prior to the purchase being made; and (2) *Purchase Orders* should be issued for purchases in excess of \$1,000.

***Management's Response***

*Contract was not approved by me because it was originated and executed prior to my arrival. Consultant completed work prior to my arrival. Consultant contract was completed for mural painting at stadium. The lift rental was not included with contract but paid together. All POs over \$1000 will have appropriate POs.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of school facility leasing records found that three *Lease Agreements* (#1039, #1040 and #1041) were not signed by the lessees. Same noncompliance was also noted in the previous year (2014) Audit.

### 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 properly executed with all the required signatures prior to the use of facilities by lessees.
- *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 Principal should ensure audit findings will not be repeated.

### Management's Response

*The person responsible for lease agreements was written up with required documentation and removed from his position as a result of noncompliance.*

**Forest Hill High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 6901 Parker Avenue  
West Palm Beach, FL 33405

Principal:  
Fiscal Year 2015: Mary Stratos  
During Audit: Mary Stratos

Treasurer:  
Fiscal Year 2015: Connie Rider  
During Audit: Connie Rider

Community School Director:  
Fiscal Year 2015: Jay Darr  
During Audit: Jay Darr

**Cash and Investments**

Checking	\$ 190,988.12
Investments	
	\$ 190,988.12

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 13,381.05	\$ 54,144.50	\$ 53,065.60	\$ 14,023.03	\$ 16,510.32	\$ 11,972.66
Music	9,177.87	37,675.04	46,681.27	15,968.41	11,399.23	4,740.82
Classes	8,296.86	78,876.60	74,151.41	8,591.81	17,774.24	3,839.62
Clubs	18,301.01	86,863.65	72,413.95	17,203.12	19,765.83	30,188.00
Departments	37,834.26	61,089.86	72,412.51	13,826.04	8,718.31	31,619.34
Trusts	85,878.96	412,697.08	396,186.08	63,299.12	58,506.74	107,182.34
General	7,745.75	18,293.23	24,306.78	6,578.63	6,865.49	1,445.34
	\$ 180,615.76	\$ 749,639.96	\$ 739,217.60	\$ 139,490.16	\$ 139,540.16	\$ 190,988.12

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser documentation found the following:

- The sponsors for the following two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Criminal Justice Candy Sales (Account #5-9988.03), and (2) Language Department T-Shirt Sales (Account #5-1503.01).
- The *Sales Item Inventory Report* for the Language Department T-Shirts Sales (Account #5-1503.01) was not completed with accurate information. The school purchased 140 shirts for resale, but the *Report* indicated that 71 shirts were purchased. According to the sponsor, the other 69 shirts ( $140 - 71 = 69$ ) were provided to students free-of-charge. However, this information was not recorded on the *Report*. In addition, the *Report* 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 staff is aware of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.
- 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 revenue and (2) tracking items purchased, given-away, or remained in inventory. Significant discrepancy, if any, between the estimated revenue and actual receipt should be investigated and resolved accordingly. Moreover, the *Sales Item Inventory Report* should be approved by the Principal in order to confirm the legitimacy for any items that were given-away free-of-charge, or missing.

### Management's Response

*Concur. Staff will follow all district practices and procedures as directed to ensure fiscal accountability.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Disbursement #45442 (for \$555) was for rental payment of entertainment equipment (dunk tank and waterslide with attendants) during the Senior Field Day Event. However, this disbursement

did not have the required (1) *School District Consultant Agreements (PBSD 1420)*, and (2) proof of liability insurance coverage from the vendor.

- Disbursement (#45399 for \$1,745.70) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.
- Four disbursements (#44901, #44974, #45544 and # 45634, totaling \$21,409.25) were for payments of transportation, admission, and lodging expenses for three field trips, without the required staff's TDEs and *Field Trip Request Forms*.
- Three P-Card transactions, totaling \$617.10 and occurred during December 2014, did not have adequate supporting documentation: (1) two \$265 transactions (totaling \$530) were for payments of conference fees for two staff but did not have the required staff's TDEs, and (2) an \$87.10 transaction for purchase of gasoline without documenting the purpose of the purchase.
- Two *Check Requisitions* (#45293 and #45349) and two *Purchase Orders* (#45293 and #45491) were prepared by the school treasurer instead of the respective activity sponsors.

### **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 interests of the school, the *School District Consultant Agreement (PBSD 1420)* should be properly executed prior to the consultants performing services at the school. Moreover, to protect the safety and welfare of students, the school should ensure that consultants, who will perform services on school campus, have passed the required background and clearance check as required by *Florida Statutes §1012.465*.
- As required by the District's *Special Events Guide for Insurance Loss Prevention*, the school should "obtain a *Certificate of Insurance from the vendors/service provider and an endorsement naming School Board as an Additional Insured on the policy*" for renting dunk tank and conducting carnivals with amusement vendors.
- 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.
- All expenses 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 ensure proper fiscal accountability, the purposes and justifications should be documented for all expenditures.



- *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.
- To (1) ensure fiscal accountability and (2) prevent and detect potential irregularities, segregation of duties should be enforced at the school. Specifically, *Check Requisition* and *Purchase Order* should be prepared by the activity sponsor.

***Management's Response***

*Concur. Staff will follow all district practices and procedures as directed to ensure fiscal accountability.*

**ADULT EDUCATION AND COMMUNITY SCHOOL PROGRAMS**

**Finding**

The review of Adult Education and Community School Programs revealed that:

- 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 eight of the ten months during School Year 2015 were not timely transmitted to the Central Office. Delays ranged from five to 46 working days.
- District procedures require that Community School fees be transmitted to the Central Office within 42 days after the classes begin. The Fall 2015 and Winter 2015 fees were not timely transmitted to the Central Office, with delays of 36 and two working days respectively.

**Recommendation**

The Adult Education and Community School program fees should be timely transmitted to the Central Office in accordance with the District's guidelines.

***Management's Response***

*Concur. Staff will follow all district practices and procedures as directed to ensure fiscal accountability.*

***Additional Comments***

*The school treasurer and bookkeeper have been directed to follow all mandated district directives and policies to ensure fiscal accountability and compliance.*

**Glades Central High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1001 SW Avenue "M"  
Belle Glade, FL 33430

Principal:  
Fiscal Year 2015: Angela Avery-Moore  
During Audit: Angela Avery-Moore

Treasurer:  
Fiscal Year 2015: Karen Orsenigo  
During Audit: Karen Orsenigo

Community School Director:  
Fiscal Year 2015: Cindy McDade  
During Audit: Mitsie Johnson

**Cash and Investments**

Checking	\$ 111,116.56
Investments	
	\$ 111,116.56

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 367.67	\$ 82,010.76	\$ 103,956.15	\$ 72,472.71	\$ 42,962.55	\$ 7,932.44
Music	50,825.31	29,403.00	35,557.18	91,610.77	91,620.77	44,661.13
Classes	4,619.21	74,582.76	76,282.55	8,068.48	7,779.93	3,207.97
Clubs	1,313.17	34,577.67	38,836.34	15,795.76	7,673.44	5,176.82
Departments	4,885.59	12,272.82	10,328.93	4,274.88	3,692.72	7,411.64
Trusts	13,302.58	158,110.13	71,763.61	879.00	57,943.63	42,584.47
General	249.74	19,054.57	37,733.66	32,246.74	13,675.30	142.09
	\$ 75,563.27	\$ 410,011.71	\$ 374,458.42	\$ 225,348.34	\$ 225,348.34	\$ 111,116.56

**ACCOUNTS PAYABLE**

**Finding**

The school’s June 30, 2015, financial records submitted to the Central Office indicated that the school had a balance of \$111,116.56 in its bank account and a total unpaid bills of \$56,826.94 (or 51% of fund balance), which included \$35,979.01 payable to the Central Office and \$20,847.93 payable to vendors. The \$35,979.01 in unpaid bills were cumulative expenses including \$31,926.33 from Fiscal Year 2009, 1,033.06 from Fiscal Year 2012, and \$3,019.62 from Fiscal Year 2015.

Fiscal Year	Total Unpaid Bills Payable To		
	Central Office	Vendors	Total
2009	\$31,926.33	-	\$31,926.33
2012	1,033.06	-	1,033.06
2015	3,019.62	20,847.93	23,867.55
<b>Total</b>	<b>\$35,979.01</b>	<b>\$20,847.93</b>	<b>\$56,826.94</b>

\* Included \$474.12 in new P-Card purchases that was added to the school’s payable account on June 30, 2015, by the Central Office.

**Recommendation**

With sufficient cash balance in the bank account, the school should address the unpaid bill issue, and pay invoices promptly in accordance with *Florida Statutes, Chapter 218, Local Government Prompt Payment Act*.

**Management’s Response**

*The vendor’s bill is half paid; remaining balance will be paid after Friday’s game (10.31.15). 2012 debt is a result of the former principal’s funeral expenses. We (former principal and I – I was the AP at the time) were told we had to accommodate the family whether they paid or not. The bookkeeper spoke to Accounting about the \$3,019.62 to find out why we were charged for this (transportation expense). 2009 is not my debt however, I will work on a payment plan.*

**DEPOSIT OF MONIES**

**Finding**

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

- *Section 3 of the Drop-safe Log* was not always completed by staff. This section should include the receipt number generated for the deposit entry in SchoolCash, notations for any variance between the sponsors’ record on the *Drop-safe Log* and the amount of monies counted, and the signature/initial of the independent staff who verified that the collections had been recorded in the General Ledger.

- 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 record filing.

### **Recommendation**

To ensure proper fiscal accountability, the school should comply with the District's money collection procedures. Specifically,

- Responsible staff should properly complete the *Drop-safe Log* with all the required information. Specifically, (1) activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe, (2) the treasurer and the 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 (3) the verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- 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. A review of district's policies and procedures will be conducted with the Bookkeeper, Confidential Secretary and staff by our next faculty meeting.*

## **DOCUMENTATION FOR FUNDRAISERS**

### **Finding**

The review of fundraiser documentation revealed that:

- The sponsor for the General Activities Freedom Fundraiser (Account #7-0100.02) and the sponsor for the Band Concession Sales (Account #2-1000.01) did not complete the eLearning Fundraiser Training for Fiscal Year 2015.
- The Crispy Crème Doughnut Sales Fundraiser (Account #4-4250.02) did not have the required *Sales Item Inventory Report*. Without documentation for sales information such as selling prices, quantities sold, and inventory counts, there is no assurance that all sales revenues were properly accounted for.

### **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 fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.
- *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. Significant discrepancy, if any, between the estimated revenue and actual collection should be investigated and resolved accordingly.

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

*Concur. A review of district's policies and procedures will be conducted with the Bookkeeper, Confidential Secretary and staff by our next faculty meeting.*

## **DOCUMENTATION OF DISBURSEMENTS**

### **Finding**

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

- Two disbursements (#11785 for \$3,776.25 and #11786 for \$1,167.27) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.
- Disbursement #11905 (\$7,020.31) was for the purchase of cheerleader uniforms from a vendor who was not on the District's bid-award vendor list. This purchase did not go through the competitive quotes from three sources which is required for purchases in excess of \$5,000.

### **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 being made; and (2) *Purchase Orders* should be issued for purchases in excess of \$1,000.
- ***School Board Policy 6.14, Section 4.b.iii.***, states, "In such cases where the School Board or designee has not approved a vendor for the commodities or contractual services needed, the Principal shall make purchases exceeding five thousand dollars (\$5,000), to the extent authority has been delegated above, using a minimum of three (3) competitive quotes, when feasible..." The school should comply with the District competitive bidding requirement for purchases in excess of \$5,000.

***Management's Response***

*Concur. A review of district's policies and procedures will be conducted with the Bookkeeper, Confidential Secretary and staff by our next faculty meeting.*

**LEASING OF SCHOOL FACILITIES (Repeated Findings)**

**Finding**

The review of records for school facility leasing found that:

- *Lease Agreement #1014* was neither signed by the lessee nor a witness.
- Leasing charges were not always collected in a timely manner.
  - As of September 3, 2015, \$1,796.20 in leasing charges had not been collected from the lessees who used the school facilities on September 13, 2014 (Lease #1001 for \$222.60) and February 7, 2015 (Lease #1014 for \$1,573.60).
  - The rentals for Leases #1002 and #1007 were not collected until four and 26 days respectively 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 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.
- ***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.*" The school should recoup the \$1,796.20 in unpaid rentals from the lessee for Leases #1001 and #1014.

***Management's Response***

*Concur. The leases are created at least 2 weeks in advance for all test; however, payment from ACT/SAT is received after the event.*

***Additional Comments***

*It should be noted that the fund balance (\$111,116.56) included the amounts designated for band uniforms (over \$40,000) set aside for scholarships (over \$50,000) and other extra services that we designated for that special purpose.*

**John I. Leonard High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 4701 10th Avenue North  
Greenacres, FL 33463

Principal:  
Fiscal Year 2015: Edward Tierney  
During Audit: Edward Tierney

Treasurer:  
Fiscal Year 2015: Maria Luna  
During Audit: Maria Luna

Community School Director:  
Fiscal Year 2015: Theomane Dorleans  
During Audit: Theomane Dorleans

**Cash and Investments**

Checking	\$ 198,977.32
Investments	
	\$ 198,977.32

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 5,589.38	\$ 148,887.30	\$ 151,616.35	\$ 49,922.28	\$ 52,782.61	\$0.00
Music	3,924.92	135,080.62	127,668.41	43,656.35	43,576.35	11,417.13
Classes	14,581.76	64,804.71	55,430.13	15,136.62	18,220.89	20,872.07
Clubs	14,436.43	79,133.58	70,339.15	26,006.55	26,632.36	22,605.05
Departments	71,971.07	130,174.51	122,051.33	55,672.34	58,989.98	76,776.61
Trusts	34,043.68	225,962.02	203,758.10	13,249.48	2,268.93	67,228.15
General	0.00	15,384.15	14,133.34	4,889.73	6,062.23	78.31
	\$ 144,547.24	\$ 799,426.89	\$ 744,996.81	\$ 208,533.35	\$ 208,533.35	\$ 198,977.32

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser records found that:

- The sponsors for three fundraisers did not completed the required eLearning Fundraiser Training Course during FY15: (1) Yearbook Sales, (2) Basketball-Girls Varsity Candy Bars Sales, and (3) Athletic Concessions Sales.
- *Sales Item Inventory Report* was not maintained for the Yearbook Sales (Account #5-0450.00). During the previous year’s (FY14) Audit, we noted that the same staff also had the same noncompliance for the same fundraiser.
- \$2,668.40 in sales revenues was deposited into the Basketball-Girls Varsity Candy Bars Sales Account (#1-0850.04) during the year. Based on the school’s purchasing records and the *Sales Item Inventory Report*, this fundraiser should have generated a total estimated revenue of \$4,608. As a result, \$1,939.60 in estimated revenue was unaccounted for.

Item	Quantity					Selling Price	Revenues
	Beginning Inventory	Purchases <sup>(1)</sup>	Items Given Away <sup>(2)</sup>	Inventory On Hand	Units Sold		
Candy Bars	0	5,400	792	0	4,608	\$1.00	\$4,608.00
Total Estimated Revenues							\$4,608.00
Total \$ Deposited into Internal Funds							\$2,668.40
<b><i>Estimated Revenues Unaccounted For</i></b>							<b><u>\$1,939.60</u></b>

(4) Based on the purchasing records during July 2014 through June 2015.  
 (5) Based on the sponsor’s records.

- The Business Ed Department-School Polo Shirts (Account #5-8400.02) had a total of \$430.01 in sales revenues deposited into the Internal Funds during the year. Based on the school’s purchasing records and the *Sales Item Inventory Report*, this fundraiser should have generated a total estimated revenue of \$825. As a result, \$394.99 in estimated revenue was unaccounted for. Additionally, 27 items were give-away which had an estimated resale value of \$337.50. However, no documentation was maintained for the purposes and the recipients of these give-away items.

Item	Quantity					Selling Price	Revenues
	Beginning Inventory <sup>(2)</sup>	Purchases <sup>(1)</sup>	Items Given Away <sup>(2)</sup>	Inventory On Hand <sup>(2)</sup>	Units Sold		
Polo Shirts	66	151	27	124	66	\$12.50	\$825.00
Total Estimate Revenues							\$825.00
Total Deposits into Internal Funds							\$430.01
<b><i>Estimated Revenues Unaccounted For</i></b>							<b><u>\$394.99</u></b>

(1) Based on purchasing records during July 2014 through June 2015.  
 (2) Based on FY15 *Sales Item Inventory Report*.



### **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 key fundraising procedures, all fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.
- *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, *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, if any, between the estimated revenue and actual collection should be investigated and resolved accordingly.
- To ensure proper fiscal accountability, items purchased with school funds and provided free-of-charge to students, staff members or the community should follow similar requirements as specified in *Bulletin #P-12690-CAO/COO/P* for gift cards, that “*schools must maintain documentation of all recipients of gift cards.*” Records for give-away items should include the purposes and the names of recipients.

### **Management’s Response**

*Concur. We have spoken to the sponsor, and all staff that the eLearning has to be done before opening a fundraiser. A Sales Item Inventory Report will be done for yearbook, and only the Sales Item Inventory Report. Fundraiser is necessary as it is under contract.*

## **DEPOSIT OF MONIES**

### **Finding**

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

- \$418 of the \$605 collected through five MCRs (#742-8, #742-9, #796-3, #711-37, and #712-33) was retained by the sponsors for two to 39 working days before it was put in the drop safe for deposit.

- The *Drop-safe Log* was not inventoried monthly as required by the *Internal Accounts Manual*.

### **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* require that monies collected be deposited in the bank within five working days after collection. Delay in turning in the monies for deposit could increase the exposure to staff and result in potential irregularities.
- As required by *Chapter 27 of the Internal Accounts Manual*, *Drop-safe Log* should be inventory checked monthly and documented on the *Prenumbered Document Inventory Register (PBSD 0160)*.

### **Management's Response**

*Concur. We have spoken to all staff and sponsor that they need to drop money daily.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

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

- Lease #1002 was for the use of facilities during July 6, 2014, through June 28, 2015. Our review of the records noted that:
  - The *Lease Agreement* was not signed by the lessee until July 16, 2014, ten days after the leasehold period had begun.
  - The *Certificate of Insurance* was for the period of October 12, 2014, to October 12, 2015. As a result, there was no insurance coverage for July 6 through October 11, 2014. Moreover, the School Board was not included as an additional insured party for liability insurance coverage.
- The *Certificate of Insurance* for Lease #1035 included the School District, instead of the School Board as the certificate holder and additional insured party.

### **Recommendation**

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

John I. Leonard High School  
Management Letter  
Year Ended June 30, 2015

- To ensure *Lease Agreements* are legally enforceable, *Lease Agreements* should be properly executed with all the required signatures prior to the use of facilities by lessees.
- ***School Board Policy 7.18 states, 'lessees must provide a copy of liability insurance policy in the amount of \$1,000,000, naming the School Board of Palm Beach County as a certificate holder and an additional insured, with the Lease Agreement or purchase liability insurance from the School District.'***

***Management's Response***

*Concur. Every attempt will be made to get all leases signed on time by the lessee.*

**Jupiter High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 500 North Military Trail  
 Jupiter, FL 33458

Principal:  
 Fiscal Year 2015: Daniel Frank  
 During Audit: Daniel Frank

Treasurer:  
 Fiscal Year 2015: Peggy Groh  
 During Audit: Peggy Groh

Community School Director:  
 Fiscal Year 2015: Mark Mellone  
 During Audit: Susan Smith

**Cash and Investments**

Checking	\$ 609,548.52
Investments	
	\$ 609,548.52

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 70,687.73	\$ 297,316.14	\$ 297,196.20	\$ 108,958.58	\$ 74,991.39	\$ 104,774.86
Music	8,266.43	39,810.49	46,474.12	20,792.60	20,388.60	2,006.80
Classes	53,537.96	145,736.03	152,219.05	51,591.57	59,666.57	38,979.94
Clubs	55,333.05	220,571.78	205,200.21	64,390.62	61,611.83	73,483.41
Departments	120,672.51	342,317.94	312,675.89	49,692.91	46,851.08	153,156.39
Trusts	148,726.51	916,187.50	824,485.74	146,651.78	178,396.73	208,683.32
General	38,725.83	53,611.73	63,701.90	50,849.61	51,021.47	28,463.80
	\$ 495,950.02	\$2,015,551.61	\$1,901,953.11	\$ 492,927.67	\$ 492,927.67	\$ 609,548.52

## DEPOSIT OF MONIES

### Finding

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

- *Sections 2 and 3 of the Drop-Safe Log* were not completed with the required information after the collections were removed from the safe by the school treasurer and processed for deposit.
- The school did not maintain the *Prenumbered Document Inventory Register* (PBSD 0160) for the *Drop-safe Logs*; and there was no record for the monthly inventory checking of the *Log*.
- 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. Same finding was also noted in the previous year (2014) Audit.

### 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 related District guidelines. Specifically,

- To ensure proper fiscal accountability, responsible staff should properly complete the *Drop-safe Log* with all the required information. Specifically, (1) activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe; (2) the treasurer and the 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 (3) the verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- As required by *Chapter 27 of the Internal Accounts Manual*, *Drop-safe Log* should be inventory-checked monthly and documented on the *Prenumbered Document Inventory Register* (PBSD 0160).
- *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..."
- *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 corrected and will not be repeated in future audits.

***Management's Response***

*Concur. Principal will meet with staff that did not follow district policies. All staff will be trained to follow district policies and procedures.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of sample fundraiser records found that:

- The *Sales Item Inventory Report* for the Chorus Coupon Book Sales (Account # 2-1500.01) was not approved by the Principal. Moreover, as indicated by the sponsor on this *Report*, a total of \$400 in coupon books was given-away free-of-charge without records documenting the purposes and the recipients for these free items.
- The Parking Permit Sales (Account #7-0100.01) did not have the required *Sales Item Inventory Report*, and the unused parking permits were destroyed prior to the audit. Consequently, we were unable to determine whether all the revenues were 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 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, or missing. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.
- To ensure proper fiscal accountability, items purchased with school funds and provided free-of-charge to students, staff members, or the community should follow similar requirements as specified in ***Bulletin #P-12690-CAO/COO/P*** for gift cards, that “*schools must maintain documentation of all recipients of gift cards.*” Records for give-away items should include the purposes and the names of recipients.
- Remaining inventory as stated on *Sales Item Inventory Reports* should not be discarded until the applicable audit has been completed, and approved by the Principal.

***Management's Response***

*Concur. Principal will meet with staff that did not follow district policies. All staff will be trained to follow district policies and procedures.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- \$1,200 of the \$1,267.96 expenses for Disbursement #17704 was supported by credit card transaction receipts that did not have the details for the items purchased.
- Disbursement #18179 (for \$21,270.02) was for purchase of Christmas trees from a vendor who was not on the District's bid-award vendor list. This purchase did not have the required competitive quotes from three sources as required by ***School Board Policy 6.14***.

### Recommendation

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

- All disbursements should be adequately documented and supported by itemized invoices and receipts. Without adequate supporting documentation, there was no assurance that the expenses were appropriate.
- ***School Board Policy 6.14, Section 4.b.iii.***, states, "In such cases where the School Board or designee has not approved a vendor for the commodities or contractual services needed, the Principal shall make purchases exceeding five thousand dollars (\$5,000), to the extent authority has been delegated above, using a minimum of three (3) competitive quotes, when feasible..." The school should comply with the District competitive bidding requirement for purchases in excess of \$5,000.

### Management's Response

*Concur. Principal will meet with staff that did not follow district policies. All staff will be trained to follow district policies and procedures.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of school facility leasing records found that *Lease Agreement #1053* was neither signed by the lessee nor a witness.

**Recommendation**

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***

*Concur. Principal will meet with staff that did not follow district policies. All staff will be trained to follow district policies and procedures.*

**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 accounting period. The review of community school's accounting records found that during Fiscal Year 2015, the school did not transmit the fees to the Central Office in a timely manner in five months, with delays ranging from 16 to 37 days.

***Management's Response***

*Concur. Principal will meet with staff that did not follow district policies. All staff will be trained to follow district policies and procedures.*



**Lake Worth High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1701 Lake Worth Avenue  
Lake Worth, FL 33460

Principal:  
Fiscal Year 2015: George Lockhart  
During Audit: George Lockhart

Treasurer:  
Fiscal Year 2015: Mona Francois  
During Audit: Mona Francois

Community School Director:  
Fiscal Year 2015: Peter DiDonato  
During Audit: Peter DiDonato

**Cash and Investments**

Checking	\$ 375,483.69
Investments	
	\$ 375,483.69

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 25,779.16	\$ 125,631.06	\$ 119,484.34	\$ 32,246.52	\$ 33,108.62	\$ 31,063.78
Music	8,513.74	35,103.36	36,584.03	5,903.58	5,946.58	6,990.07
Classes	22,273.91	73,973.00	72,643.23	9,493.69	9,944.07	23,153.30
Clubs	10,150.53	37,800.47	28,398.70	23,337.84	20,676.10	22,214.04
Departments	96,674.81	75,246.58	100,919.42	26,231.33	24,198.01	73,035.29
Trusts	166,771.35	588,126.04	538,845.07	97,153.09	101,838.78	211,366.63
General	4,514.73	4,759.50	2,959.76	6,493.18	5,147.07	7,660.58
	\$ 334,678.23	\$ 940,640.01	\$ 899,834.55	\$ 200,859.23	\$ 200,859.23	\$ 375,483.69

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The sponsors for the Wrestling Snack Sales (Account #1-7510.02), Yearbook Sales (Account 5-0540.02), and one of the three sponsors for PE Uniform Sales (Account #5-1900.01) fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.

### Recommendation

To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

### Management's Response

*Concur. LW will follow suggested recommendations.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- The school had five District's P-Cards. The review of the P-Card activities noted three instances of splitting purchases into multiple smaller dollar purchases in order to circumvent the District's \$1,000 per-day-per-vendor rule:
  - May 12, 2015: The purchase of \$1,961.20 in books for the media center was split into two transactions (\$974.10 and \$987.10) and charged to two different P-Cards.
  - May 16, 2015: The purchase of 30 computer hard drives, totaling \$2,930, was split into three transactions (\$950, \$990, and \$990) and paid with three different P-Cards.
  - May 22, 2015: The purchase of 18 computer hard drives, totaling \$1,584, was split into two transactions (\$792 each) and paid with two different P-Cards.
- A \$316.74 P-Card transaction occurred on May 7, 2015, was supported by an invoice for \$303.87. As a result, the school overpaid the vendor by \$12.87.
- The *Purchase Orders* for two disbursements (#13649 for \$8,000, and #14684 for \$1,580) were approved with the Principal's signature stamp in lieu of his manual signature.
- Disbursement #13949 (for \$3,346) was for payment of a purchase made on October 31, 2014. However, the *Purchase Order* was neither prepared by staff nor approved by the Principal until December 17, 2014.

### **Recommendation**

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

- P-Card purchase in excess of \$1,000 requires prior approval from the Purchasing Department. In addition, *Purchasing Card Procedures* provide that, “*Splitting an invoice totaling more than \$1,000 is considered Pyramiding and is not allowed. Payment for purchases shall not be split to stay within the single purchase limit.*” The school should not split large purchase in order to circumvent purchasing rule.
- 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.
- *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.
- All financial transactions, including *Purchase Orders*, should be approved with the Principal’s manual signature.

### **Management’s Response**

*Concur. LW will follow suggested recommendations.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The school recorded 32 leasing arrangements in the Tririga System during the year. The review of the leasing records found that:

- 31 of them did not have the required hardcopy of the *Lease Agreements*. Moreover, the hardcopy for *Lease Agreement #0691* was not signed by the lessee.
- Lease #1002 was not approved by the Principal until 25 days after the leasehold period began. Lease #1021 was not approved by the Principal.
- Charges for two leases (#1002 and #1007) were not collected prior to the use of facilities, with delays of 16 and 115 days respectively.
- Lease #1018 did not pay sales tax; however, it did not have proof of tax exemption.

### **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.
- *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.*”
- Proof of tax-exempt status should be provided by lessee and documented in file in order to qualify for sales tax exemption. Sales tax collected from commercial leases should be recorded in the Florida Sales Tax Payable Account (#6-1800) and transmitted to the Central Office accordingly.

### **Management’s Response**

*Concur. LW will follow suggested recommendations.*

## **PRENUMBERED DOCUMENTS**

### **FINDING**

A review of the schools prenumbered document inventories revealed that:

- The *Document Custodian Assignment Register* (PBSD 1663) was signed by using the Principal’s signature stamp instead of his manual signature.
- The school did not maintain the *Prenumbered Document Inventory Register* (PBSD 0160) for prenumbered tickets.

### **Recommendation**

To ensure proper fiscal accountability and as required by *Chapter 27 of the Internal Accounts Manual*, the *Document Custodian Assignment Register* must be completed each year with persons assigned to account for prenumbered forms. The custodian should be someone who is not involved in the day-to-day use of the form. Each assigned custodian shall use the *Prenumbered Document Inventory Register* (PBSD 0160) to confirm the periodic inventory of the prenumbered forms.

### **Management’s Response**

*Concur. LW will follow suggested recommendations.*

**Olympic Heights High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 20101 Lyons Road  
Boca Raton, FL 33434

Principal:  
Fiscal Year 2015: Dave Clark  
During Audit: Dave Clark

Treasurer:  
Fiscal Year 2015: Bertha Beltran  
During Audit: Bertha Beltran

Community School Director:  
Fiscal Year 2015: Stacey Belton  
During Audit: Stacey Belton

**Cash and Investments**

Checking	\$ 364,143.64
Investments	
	\$ 364,143.64

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 39,070.10	\$ 171,936.76	\$ 164,978.29	\$ 88,212.13	\$ 90,155.91	\$ 44,084.79
Music	9,461.89	48,157.17	66,569.80	27,619.06	13,017.62	5,650.70
Classes	14,465.12	77,675.70	69,653.56	7,570.43	15,660.43	14,397.26
Clubs	33,412.39	133,468.99	121,425.23	33,460.96	32,450.92	46,466.19
Departments	118,472.40	126,327.21	127,407.12	32,117.08	43,773.57	105,736.00
Trusts	107,487.47	618,002.14	568,555.17	60,593.64	75,754.85	141,773.23
General	8,630.86	24,092.83	47,928.22	38,361.56	17,121.56	6,035.47
	\$ 331,000.23	\$1,199,660.80	\$1,166,517.39	\$ 287,934.86	\$ 287,934.86	\$ 364,143.64

## DEPOSIT OF MONIES

### Finding

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

- *Section 2* of the *Drop Safe Log* was completed only by the school treasurer. It should be jointly completed by the treasurer and a second person who accompanied the treasurer to remove collections from the safe for processing.
- Some sponsors did not always record the deposit information on the *Drop-safe Log* before dropping off the collections into the safe. For example, the deposit information for \$575 collected on November 18, 2014, was not recorded on the *Log*.
- A total of \$826 collected through two MCRs (#893-2 and #907-24) was retained by the sponsors for one to three 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,

- To ensure proper fiscal accountability and comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, responsible staff should properly complete the *Drop-safe Log* with all the required information. Specifically, (1) activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe; (2) the treasurer and the 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 (3) the 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 result in potential irregularities.

### Management's Response

*Concur. Additional training for staff is underway.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

As indicated by the sponsor on the *Sales Item Inventory Report* for the Coupon Books Sale (Account #5-1203.01), 85 coupon books were given-away free-of-charge. These give-away items had an estimated resale value of \$1,700. Although the *Sales Item Inventory Report* was approved by the Principal, no documentation was maintained as to who received the given-away items. In addition, the sponsor did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.

### Recommendation

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

- To ensure proper fiscal accountability, items purchased with school funds and provided free-of-charge to students, staff members or the community should follow similar requirements as specified in *Bulletin #P-12690-CAO/COO/P* for gift cards, that “*schools must maintain documentation of all recipients of gift cards.*” Records for give-away items should include the purposes and the names of recipients.
- To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

### Management’s Response

*Concur. Staff has been informed that they must complete on-line training course. Documentation of all items given away will be carefully maintained moving forward.*

## DOCUMENTATION OF DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card purchase records found that two disbursements (#34918 for \$1,100.00, and #35662 for \$2,500.00) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.

### Recommendation

All purchases should be pre-approved by the Principal. *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.

***Management's Response***

*Concur. An email reminding all stakeholders of this policy has been sent. The bookkeeper will monitor all purchases.*

**ADULT AND COMMUNITY SCHOOL PROGRAMS**

**Finding**

The review of Adult Education and Community School Programs records found that the school did not transmit the program fees to the Central Office in a timely manner. Specifically,

- Adult General Education Fees should be transmitted to the Central Office within five working days after the end of each month. The fees collected during four of the 12 months were not timely transmitted to the Central Office, with delays ranging from two to 23 days.
- Community School fees should be transmitted to Central Office within 42 days after classes begin. The Fall 2014 and Spring 2015 Community Program fees were not transmitted timely to the Central Office, with delays of one and three days respectively.

**Recommendation**

To provide the Central Office with immediate available funding for Adult Education and Community School Programs, fees collected for these programs should be transmitted timely to the Central Office in accordance with District's guidelines.

***Management's Response***

*Concur. Community School Assistant Principal has been reminded to keep all transmittals within the allotted time frame.*

**LEASING OF SCHOOL FACILITIES**

**Finding**

The leasehold period for Lease #1008 was for the period during August 23, through December 13, 2014. As indicated on the *Vendors Liability Insurance Report (Form 1915)*, the school collected the insurance for only one "*Quarter of year*", instead of "*Half of year*". As a result, the school undercharged the lessee \$119.70 in insurance premium.

**Recommendation**

Leasing charges, including insurance premium, should be collected from the lessee in accordance with the District's approved rate schedule. The school should recoup the \$119.70 undercharged insurance premium.



Olympic Heights High School  
Management Letter  
Year Ended June 30, 2015

***Management's Response***

*Concur. Community School Assistant Principal has been informed of the issue and corrective action will take place.*

**Pahokee Middle/Senior High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 900 Larrimore Road  
Pahokee, FL 33476

Principal:

Fiscal Year 2015: Adrian Ocampo (High School) / Michael Aronson (Middle School)  
During Audit: Adrian Ocampo (High School) / Michael Aronson (Middle School)

Treasurer:

Fiscal Year 2015: Kimberly Walkes/Brandi Angram  
During Audit: Brandi Angram

**Cash and Investments**

Checking	\$ 105,342.71
Investments	
	\$ 105,342.71

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 6.82	\$ 99,634.49	\$ 95,073.44	\$ 9,606.43	\$ 9,463.43	\$ 4,710.87
Music	109.23	8,223.47	6,381.07	2,214.00	2,919.63	1,246.00
Classes	4,338.87	41,160.99	40,264.67	6,350.14	8,847.38	2,737.95
Clubs	4,834.84	45,407.99	38,311.77	10,622.19	10,228.60	12,324.65
Departments	( 1,000.45)	13,606.84	4,888.45	3,773.30	2,064.78	9,426.46
Trusts	20,572.10	207,756.90	158,418.63	9,588.57	9,425.05	70,073.89
General	4,434.13	4,965.63	5,371.11	2,906.23	2,111.99	4,822.89
	\$ 33,295.54	\$ 420,756.31	\$ 348,709.14	\$ 45,060.86	\$ 45,060.86	\$ 105,342.71

**ACCOUNTS PAYABLE**

**Finding**

As of June 30, 2015, the school’s checking account had a balance of \$105,342.71. However, the school had total unpaid debts of \$126,604.11 payable to the Central Office, which included \$38,167.77 in debts incurred during Fiscal Years 2010 through 2014.

**Unpaid Debts Payable to the Central Office**  
**As of June 30, 2015**

<u>Fiscal Year</u>	<u>Bus-Related</u>	<u>P-Card</u>	<u>Purchasing</u>	<u>Labor</u>	<u>Total</u>
2010	-	-	-	\$1,247.00	\$1,247.00
2011	-	\$351.02	-	-	351.02
2012	-	5,594.36	-	2,400.00	7,994.36
2013	-	854.41	-	5,852.53	6,706.94
2014	\$425.00	3,494.31	-	17,949.14	21,868.45
2015	<u>8,682.72</u>	<u>31,930.13</u>	<u>305.02</u>	<u>47,518.47</u>	<u>88,436.34</u>
<b>Total</b>	<b><u>\$9,107.72</u></b>	<b><u>\$42,224.23</u></b>	<b><u>\$305.02</u></b>	<b><u>\$74,967.14</u></b>	<b><u>\$126,604.11</u></b>

**Recommendation**

To ensure proper fiscal accountability, the school should develop a payment plan for the unpaid debts.

***Management’s Response***

*Concur. The security (labor) and transportation (bus-related) costs at Pahokee MSHS are far greater than our school can ever hope to generate. We have been attempting to pay off past debt, however, it only compounds our current debt. Pahokee MSHS is unique in the sense that we are small (425-450 students), impoverished, and remote. We do not generate enough funds for any event that adequately cover our expenses. Our security and transportation needs far surpass what we are capable of paying. We will need help with balances.*

**DEPOSIT OF MONIES**

**Finding**

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

- Two pages (#35445 and #35457) of *Drop-Safe Logs* assigned to the Middle School Division were missing.
- \$280 in cash for the Busch Gardens Field Trip fees collected through MCR #601-1 was retained by the sponsor for two days before it was put into the drop-safe for deposit.

- The school's *End of Year Sign-Out Checklist* mistakenly instructed staff to turn-in the yellow copies of MCRs to the school treasurer, instead of the school secretary as required by the District procedures.

### **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*, "Completed Drop Safes Logs must be filed sequentially in numerical order in a binder and retained for five years."
- *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. We will work to make the necessary corrections and keep proper documentation.*

## **DOCUMENTATION FOR FUNDRAISERS**

### **Finding**

The review of fundraiser records found that:

- The sponsor for the Caribbean Flag/Shirts Fundraiser did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.
- The following four fundraisers did not have the required *Sales Items Inventory Reports*: (1) Caribbean Flag/Shirts, (2) Candy Sales, (3) Campus Yearbook, and (4) P.E. Uniforms. Without documentation for sales information such as selling prices, quantities sold, and inventory counts, there is assurance that all sales revenues were properly accounted for.
- MCRs #540-2 was for the collection of \$4,190 in ticket sales revenues for the November 7, 2014, Varsity Football Game. However, this ticket sales did not have the required *Ticket Sellers Report*.
- \$541 in sales revenues for the Caribbean Flag/Shirts Fundraiser was deposited into the Internal Funds Account (#4-0725.01). However, based on the school's purchasing records, this fundraiser

should have generated a total estimated revenue of \$1,000. As a result, \$486 (49%) in estimated revenue was unaccounted for.

Item	Quantity				Selling Price	Revenues
	Beginning Inventory	Purchases <sup>(1)</sup>	Items Given Away	Inventory On Hand		
Flag/Shirts	-	100	-	-	\$10	\$1,000
Bandanas	-	72	-	-	-	-
Total Estimate Revenues						\$1,000
Total \$ Deposited into Internal Funds						\$514
<i>Estimated Revenues Unaccounted For</i>						<u><u>\$486</u></u>

**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.
- To ensure proper fiscal accountability, *Ticket Sellers Report* and *Sales Item Inventory Report* should be prepared and completed with accurate information for each fundraiser in order for staff to reconcile the sales revenues with the estimated revenues. 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. We will work to make the necessary corrections and keep proper documentation.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

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

- Disbursement #11684 (for \$210) did not have any supporting documentation for the expense. Missing documentation included a *Check Requisition* and itemized invoice or receipt.
- A March 9, 2015, P-Card transaction (for \$365.36) was supported by a vendor’s e-mail that indicated only the dollar amount without the details for the purchases.

Pahokee Middle/Senior High School  
Management Letter  
Year Ended June 30, 2015

- Disbursement #11679 (for \$816) was for pre-payment to a staff for food allowances during the May 7 through 9, 2015, field trip to Washington DC. This disbursement was not supported by receipts; instead, it was supported only by a list of the students.
- Four disbursements (#11172, #11316, #11365, and #11381, totaling \$11,763.25) each exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.
- Three P-Card transactions included a total payment of \$11 in sales tax for tax-exempt purchases during March 2015.

### **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 expenditures should be adequately supported by itemized invoices/receipts. The issuance of school check should be supported by a Principal's approved *Check Requisition*. 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.
- The School District is a tax-exempt governmental entity, and should not pay sales tax for eligible purchases.

### **Management's Response**

*Concur. We will work to make the necessary corrections and keep proper documentation.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

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

- *Lease Agreement* #1001 was neither signed by the lessee nor a witness.
- Utility fee, insurance premium, and sales tax collected from leasing activities were not always allocated and recorded in the respective Internal Funds Accounts. As a result, the school under-allocated and under-transmitted a total of \$2,764.53 to the Central Funds during Fiscal Year 2015: \$1,977.63 in utility fees, \$517.80 in insurance premium, and \$269.10 in sales tax.

### **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 properly executed with all the required signatures prior to the use of facilities by lessees.
- 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*. 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).

### **Management's Response**

*Concur. We will work to make the necessary corrections and keep proper documentation.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of controls in prenumbered documents found that:

- The following documents were not maintained for the High School Division: (1) *Document Custodian Assignment Register (PBSD 1663)* and (2) *Prenumbered Document Inventory Register (PBSD 0160)* for *Drop-safe Logs* and *School Checks*.
- The *Prenumbered Document Inventory Register (PBSD 0160)* for *Drop-safe Logs* and *School Checks* for the Middle School Division did not include all the inventories maintained and used during the school year.

### **Recommendation**

To ensure proper fiscal accountability 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 assignments should be recorded on the *Document Custodian Assignment Register (PBSD 1663)*.
- 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.

Pahokee Middle/Senior High School  
Management Letter  
Year Ended June 30, 2015

***Management's Response***

*Concur. We will work to make the necessary corrections and keep proper documentation.*



**Palm Beach Central High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 8499 West Forest Hill Boulevard  
Wellington, FL 33411

Principal:  
Fiscal Year 2015: Darren Edgecomb  
During Audit: Darren Edgecomb

Treasurer:  
Fiscal Year 2015: Norma Flores  
During Audit: Norma Flores

Community School Director:  
Fiscal Year 2015: Jerry Fogarty  
During Audit: Jerry Fogarty

**Cash and Investments**

Checking	\$ 422,440.94
Investments	
	\$ 422,440.94

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 65,509.38	\$ 287,956.70	\$ 297,298.96	\$ 133,498.50	\$ 126,187.01	\$ 63,478.61
Music	8,867.35	37,770.72	34,503.54	17,291.45	14,739.13	14,686.85
Classes	7,807.03	104,974.57	101,683.45	13,276.92	17,383.65	6,991.42
Clubs	47,421.75	197,093.50	200,433.73	59,675.81	66,620.38	37,136.95
Departments	46,582.37	115,727.29	104,803.85	19,803.80	18,361.82	58,947.79
Trusts	168,534.92	496,891.25	469,517.87	55,258.97	49,078.15	202,089.12
General	29,387.73	64,608.52	48,450.74	46,843.10	53,278.41	39,110.20
	\$ 374,110.53	\$1,305,022.55	\$1,256,692.14	\$ 345,648.55	\$ 345,648.55	\$ 422,440.94

## LEASING OF SCHOOL FACILITIES

### Finding

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

- *Lease Agreement* #1055 was not signed by the lessee and a witness until eight days after the leasehold period began. In addition, the lease was not approved by the Principal until six days after the leasehold period began.
- Lease #1055 was for the use of facilities in March 2015. As of July 23, 2015, the school had not collected the \$400 in rentals from the lessee.
- Leasing charges were not always collected in a timely manner. The rentals for Leases #1073 and #1069 were not collected until seven and 19 days respectively after the lessees had begun using the 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, all *Lease Agreements* 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 (no cash) at least forty-eight (48) hours prior to the use of a facility.*" The school should collect the \$400 in rental charges from the lessee for Lease #1055.

### *Management's Response*

*Concur. We will begin to collect all fees at least forty-eight (48) hours prior to the use of a facility.*

**Palm Beach Gardens High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 4245 Holly Drive  
Palm Beach Gardens, FL 33410

Principal:  
Fiscal Year 2015: Larry Clawson  
During Audit: Larry Clawson

Treasurer:  
Fiscal Year 2015: Terri Matthews  
During Audit: Diane Clodfelter

Community School Director:  
Fiscal Year 2015: Arthur Falk  
During Audit: Arthur Falk

**Cash and Investments**

Checking	\$ 376,747.27
Investments	
	\$ 376,747.27

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 100,286.63	\$ 223,065.05	\$ 245,686.50	\$ 90,295.97	\$ 86,703.97	\$ 81,257.18
Music	27,114.87	95,107.03	102,346.99	29,039.20	25,374.20	23,539.91
Classes	32,811.95	80,187.25	61,839.77	28,716.36	52,056.97	27,818.82
Clubs	34,424.38	220,488.67	235,446.55	71,771.72	68,285.15	22,953.07
Departments	45,583.64	162,000.72	153,424.32	26,464.53	21,713.06	58,911.51
Trusts	100,198.14	489,748.62	440,421.50	41,964.73	37,082.66	154,407.33
General	1,649.17	7,214.75	3,867.97	6,404.57	3,541.07	7,859.45
	\$ 342,068.78	\$1,277,812.09	\$1,243,033.60	\$ 294,657.08	\$ 294,757.08	\$ 376,747.27

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser documentation found that:

- The Water Polo Restaurant Card Sales (Account #1-6700.01) did not have the required *Fundraising Application/Recap Form* and *Sales Item Inventory Report*.
- The Baseball Season Tickets Sales (Account #1-05010) did not have the required *Fundraising Application/Recap Form* and *Ticket Sellers Report*.

### 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 staff in reconciling sales revenues with the estimated revenue, *Sales Item Inventory Report* and *Ticket Sellers Report* should be prepared and completed with accurate information for all fundraisers. Significant discrepancy, if any, between the estimated revenue and actual collection should be investigated and resolved accordingly.

### Management's Response

*Concur. We concur with these findings and have taken corrective action to insure we are in compliance in the future.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Two disbursements (#53797 and #53538, totaling \$3,800) were for payments to a vendor for providing entertainment equipment and services during the Project Graduation event. However, there was no proof of liability insurance coverage provided by the vendor.
- Disbursement #53230 (for \$1,382.96) did not have any supporting documentation for the expense. Missing documentation included the Principal's approved *Check Requisition* and itemized invoice or receipt.

Palm Beach Gardens High School  
Management Letter  
Year Ended June 30, 2015

- Six sample disbursements (#52745 for \$2,046.40, #53211 for \$1,504.83, #53839 for \$1,478.37, #53903 for \$2,552, #53906 for \$3,750, and #53994 for \$3,330) each exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.
- Disbursement #53240 (for \$14,305.99) was for the construction of a storage unit on the school's baseball field, which is located on a property owned by the City of Palm Beach Gardens and leased to the District through an interlocal agreement. However, (1) this construction did not have the approval from the Area Superintendent and the Central Office; and (2) this purchase exceeded the \$5,000 threshold, but the vendor was not a District's prequalified or bid-awarded vendor. Moreover, the school did not obtain the required competitive quotes from three sources as required by ***School Board Policy 6.14***.

### **Recommendation**

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

- As required by the District's ***Special Events Guide for Insurance Loss Prevention***, the school should "*obtain a Certificate of Insurance from the vendors/service provider and an endorsement naming School Board as an Additional Insured on the policy*" for renting of inflatables and related entertainment equipment.
- Approval for expenditures should be (1) adequately documented with the Principal's approved *Check Requisitions*, and (2) supported by itemized invoices and receipts.
- 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 Orders* be issued for purchases in excess of \$1,000.
- ***School Board Policy 7.26 (3)(a)***, states, "*Requests for any change or modification to School Board facility (such as, but not limited, capital improvement projects, remodeling or renovation of facilities, or site improvement) by the School principal/department head shall be submitted to the appropriate Area Superintendent or designee and shall be coordinated with, and have the approval of, the Director of Facilities Services and the Superintendent/designee.*"
- ***School Board Policy 6.14, Section 4.b.iii.***, states, "*In such cases where the School Board or designee has not approved a vendor for the commodities or contractual services needed, the Principal shall make purchases exceeding five thousand dollars (\$5,000), to the extent authority has been delegated above, using a minimum of three (3) competitive quotes, when feasible...*" The school should comply with the District competitive bidding requirement for purchases in excess of \$5,000.

***Management's Response***

*Concur. Some of these disbursements were from the prior bookkeeper and some were from the current bookkeeper. Since attending the bookkeeping meetings she is more aware of the policies. Now all check requisitions over \$1000 are carefully reviewed to ensure all documentation is accurate.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents disclosed that:

- The school did not maintain (1) the *Document Custodian Assignment Register (PBSD1663)*, and (2) the *Prenumbered Document Inventory Registers (PBSD0160)* for the *Drop-Safe Log*, *School Checks* and prenumbered tickets.
- The school treasurer had custody of the blank stock of *Drop-safe Log*, although she was also involved in the day-to day use of the *Drop-safe Log*.

**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)*. Custodian for prenumbered form should be someone who is not involved in the day-to-day use of the form. Another staff member, other than the treasurer, should be assigned as the document custodian for the *Drop-Safe Log*.
- Document custodian should use the *Prenumbered Document Inventory Register (PBSD 0160)* to confirm the periodic inventory of the prenumbered forms. Specifically, the *Drop-Safe Log* and *School Checks* should be inventory-checked monthly; and the prenumbered tickets should be inventory-checked at year-end.

***Management's Response***

*Concur. Being a first year treasurer (start date: April 2015) she was unaware of policies and procedures. Since then she has been attending all training available.*

## LEASING OF SCHOOL FACILITIES

### **Finding**

The review of facility leasing records found that the charges for Lease #1032 were not collected until 18 days after the leasehold period began.

### **Recommendation**

As required by *School Board Policy 7.18*, “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. All leases are now reviewed by the Principal and the Principal’s secretary to insure they are in compliance.*

## ADULT EDUCATION AND COMMUNITY SCHOOL PROGRAMS

### **Finding**

The review of Adult Education and Community School Programs revealed that:

- The Adult Education fees collected during April and May 2015 were not timely transmitted to the Central Office, with delays of 30 and 10 days respectively. District procedures require that Adult Education fees be transmitted monthly to the Central Office within five working days after the close of accounting period.
- District procedures require that community school fees be transmitted to the Central Office within 42 days after the classes begin. However, the school did not timely transmit the Winter, Spring, and Summer 2015 fees to the Central Office, with a delay of three, 11, and 29 working days respectively.

### **Recommendation**

The school should transmit the program fees to the Central Office in accordance with the District’s guidelines.

### **Management’s Response**

*Concur. We concur with these findings and have taken corrective action to insure we are in compliance in the future. Now all transmittals are due to the bookkeeper one week prior to the due date to the district.*

Palm Beach Gardens High School  
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Year Ended June 30, 2015

***Additional comments***

*As noted previously, the new bookkeeper's start date is April 2015 and has gone to all trainings/meetings at the district to insure audit findings do not occur in the future.*



**Palm Beach Lakes High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 3505 Shiloh Drive  
 West Palm Beach, FL 33407

Principal:  
 Fiscal Year 2015: Cheryl McKeever  
 During Audit: Cheryl McKeever

Treasurer:  
 Fiscal Year 2015: Melissa Terkovich  
 During Audit: Melissa Terkovich

Community School Director:  
 Fiscal Year 2015: Robin Johnson  
 During Audit: Robin Johnson

**Cash and Investments**

Checking	\$ 79,043.13
Investments	
	\$ 79,043.13

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$ 168,169.89	\$ 159,639.79	\$ 59,656.92	\$ 58,509.06	\$ 9,677.96
Music	0.01	28,800.07	29,292.40	10,037.16	8,550.94	993.90
Classes	0.00	83,010.15	69,986.74	9,002.13	8,867.13	13,158.41
Clubs	0.00	60,684.36	51,611.57	11,241.11	11,522.22	8,791.68
Departments	25.00	49,708.94	37,742.43	17,849.80	17,632.40	12,208.91
Trusts	1,260.62	310,339.41	279,415.82	40,628.51	42,709.79	30,102.93
General	0.00	43,361.66	38,628.23	9,651.64	10,275.73	4,109.34
	\$ 1,285.63	\$ 744,074.48	\$ 666,316.98	\$ 158,067.27	\$ 158,067.27	\$ 79,043.13

## DEPOSIT OF MONIES

### Finding

The review of money collection process at the school revealed that:

- The *Drop-safe Log* was not always signed by the responsible staff. For example, Section 2 of the *Log* was not always completed jointly by the school treasurer and a witness when collections were removed from the safe for processing by the treasurer. In addition, Section 3 on six pages of the *Log* were not signed by the verifier who verified that the treasurer had entered the deposit information into the Internal Funds Accounting System.
- At the year-end, some sponsors 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. Activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe. The treasurer and the independent 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 complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- 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. The Principal's secretary, will serve as responsible staff, and will witness Drop Safe Log when removed from safe. She will keep log sheets in notebook, and give copies to the Assistant Principal who monitors verification of the monies collected forms and receipts issued. Assistant principal noted will collect yellow copies of monies collected and computerized receipts for record keeping.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

Palm Beach Lakes High School  
 Management Letter  
 Year Ended June 30, 2015

- The sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) SGA Coupon Book Sales, (2) Girls Basketball Coupon Book Sales, and (3) Aquarian Yearbook Sales.
- The Cheerleading Coupon Sales (Account #4-0870.02), and HOSA Scrubs and Shirt Sales (Account # 4-2233.00) did not have the required *Sales Item Inventory Reports*. Without the fundraisers' sales information, there is no assurance that all revenues were accounted for.
- The Yearbook Coupon Sales (Account #5-0450.00) and HOSA Scrubs and Shirt Sales (Account #4-2233.00) did not have the required *Fundraising Application/Recap Form*. In addition, the *Fundraising Application/Recap Forms* for the Bowling Coupon Book Sales (Account #1-0900.05) was not approved by the Principal until 141 days after the fundraising activities had begun.
- The school purchased 165 Coupon Books for five fundraising activities: (1) SGA (Account #4-4810.04), (2) Girls Volleyball (Account #1-6510.06), (3) Yearbook (Account #5-0450.00), (4) Bowling (Account #1-0900.05), and (5) Cheerleading (Account #4-0870.02)). These fundraisers should have generated a total estimated revenue of \$2,380. However, a total of \$940 in revenue was deposited into the Internal Funds. As a result, \$1,440 (61%) in estimated revenue was unaccounted for.

Account	Quantity				Selling Price	Estimated Revenues	Revenues Deposited Into Internal Funds	Estimated \$ Unaccounted For
	Purchases <sup>(1)</sup>	Items Given Away <sup>(2)</sup>	Inventory On Hand <sup>(3)</sup>	Units Sold				
SGA	60	46	0	14	\$20	\$280	\$160	(\$120)
Volleyball	30	0	0	30	\$20	\$600	\$60	(\$540)
Yearbook	10	0	0	10	\$20	\$200	-	(\$200)
Bowling	10	0	0	10	\$20	\$200	\$200	-
Cheer	55	0	0	55	\$20	\$1,100	\$520	(\$580)
<b>Total</b>	<b>165</b>	<b>46</b>	<b>0</b>	<b>119</b>	<b>\$20</b>	<b>\$2,380</b>	<b>\$940</b>	<b>(\$1,440)</b>

(1) Based on purchasing records during July 1, 2014, and September 17, 2015.

(2) Based on *FY15 Sales Item Inventory Reports*.

(3) No inventory on hand as of September 17, 2015.

- The Recap Section (actual sales) of the *Fundraising Application/Recap Forms* for the Girls Volleyball Coupon Book Sales (Account #1-6510.06) and Cheerleading Coupon Book Sales (Account #4-0870.02) were not completed by the fundraiser sponsors after the fundraiser events were completed.

**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 fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course 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 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, or missing. 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.
- Fundraiser sponsor should complete the Recap (actual sales) portion of the *Fundraiser Application/Recap Form* at the end of the fundraiser. The sales revenues should be reconciled to the Internal Funds accounting records.

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

*Concur. Assistant principal will collect and keep certificates of completion of all fundraising trainings from sponsors, coaches and teachers.*

### **DOCUMENTATION FOR DISBURSEMENTS**

#### **Finding**

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

- Disbursement #98891 (for \$795) was for an out-of-county senior week field trip to an indoor trampoline park. Pursuant to the District's *Special Events Guide for Insurance and Loss Prevention*, trampoline is a prohibited school activity. Moreover, the *Field Trip/Activity Planning Report and Approval Request* was not approved by the area superintendent.
- Disbursements #97470 (for \$4,641) was for payment of an off-campus overnight summer camp for the cheerleading team. However, this fieldtrip did not have the required *Field Trip/Activity Planning Report and Approval Request*.
- Five disbursements (#97815 for \$3,130, #98096 for \$1,440, #98097 for \$1,323.44, #98538 for \$1,289.15, and #98775 for \$1,300) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.
- Disbursement #98407 (for \$5,916.73) was for payment of seven of the nine invoices included in the January 6, 2015, vendor statement. The vendor statement indicated that the nine invoices were for six purchases of basketball team uniforms. However, three of the purchases (vendor's order reference #343173 for \$1,657.85, #343178 for \$2,051.25, and #343184 for \$2,051.49) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Orders*.

- The *Purchase Order* for Disbursement #98360 (for \$3,920) was not prepared by the requestor until six days after the purchase.
- Disbursement #99193 (for \$9,676.14) was for payment of yearbook expenses. This disbursement was supported by an invoice but did not have a *Purchase Order* or a contract for printing the yearbooks.

### **Recommendation**

Disbursements should be processed in accordance with *DOE Rules (Department of Education's Financial and Program Cost Accounting and Reporting for Florida Schools, Chapter 8)* and related District guidelines. Specifically,

- To protect the safety and welfare of students, special events should be administered in accordance with the District's *Special Events Guide for Insurance and Loss Prevention*. Specifically, trampoline and other high risk activities are not allowed for school activities.
- Field trips should be administered in accordance with *School Board Policy 2.40*. Specifically, out-of-county field trips should be approved by the Principal and Area Superintendent.
- Pursuant to the District's *Purchasing Manual* and *Internal Accounts Manual*, all Internal Funds purchases require (1) Principal's approval prior to the purchase being made; and (2) *Purchase Order* should be issued for purchase in excess of \$1,000.

### **Management's Response**

*Concur. Sponsors will submit activities in advance for approval to Assistant Principal over activities prior to booking or scheduling, to ensure the activity and venue are district approved. Sponsors will be responsible to check the Special Events Guide to ensure the activity is deemed safe by district standards.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

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

- *Lease Agreement* #1004 was not signed by the Principal, lessee, and witness until 23 days after the leasehold period had begun. *Agreement* #1068 was not signed by the lessee and witness until 14 days after the leasehold period had begun.
- As of June 30, 2015, a total of \$1,257.50 in leasing charges had not been collected for two leases: (1) \$1,102.50 for Lease #1068, and (2) \$155 for Lease #1081.

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- Leasing charges for Leases #1036 and #1004 were not always collected prior to the use of facilities, with delays of 35 to 85 days respectively.
- According to staff, Lease #1004 purchased the liability insurance through the District's insurance pool. However, the insurance premium was included in the *Lease Agreement* and not collected by the school.

### **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 properly executed with all the required signatures prior to the use of facilities by lessees.
- ***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.*"
- The school should collected the \$1,257.50 in unpaid rentals from the lessees for Leases #1068 and #1081.
- Leasing charges, including insurance premium, should be collected in accordance with the District approved ***Rate Schedule***.

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

*Concur. Night school Assistant Principal will submit leases in a timely manner prior to event being scheduled, to building principal for signature. School administration will work with Night School Assistant Principal and secretary to request they collect fees at the time the leases are written. School Administration will work with Night School Assistant Principal and secretary to request they collect fees at the time the lease is issued. Leasing charges and insurance premium will be collected in accordance with district policy.*

## **ADULT EDUCATION AND COMMUNITY SCHOOL PROGRAMS**

### **Finding**

The review of records for the Adult Education and Community School Programs found that:

- 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 eight to 13 days.
- 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

Adult Education tuition fees were not timely transmit the Central Office for six of the 10 months, with a delay ranging from two to 37 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***

*Concur. Adult Education and Community School Secretary will submit transmittal fees to the central office according to district policy and procedure. We will have the school treasurer give her dates to place on her calendar to comply with on a monthly basis.*

**PRENUMBERED DOCUMENTS**

**Finding**

The review of controls in prenumbered documents found that:

- The school did not have the required *Document Custodian Assignment Register* (PBSD 1663) to document the assignment of custodians for the school's prenumbered documents.
- The *Prenumbered Document Inventory Registers* (PBSD 0160) for *School Checks* and *Drop-sale Log* were maintained by the school treasurer. In addition, the *Registers* indicated that the periodic inventory checks for the *School Checks* and *Drop-safe Log* were performed by the treasurer.

**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.
- The document custodian for each form may be someone different, but it should be someone who is not involved in the day-to-day use of the form.
- The *Prenumbered Document Inventory Register* (PBSD 0160) should be maintained to document the periodic inventory checks of the each prenumbered form by the document custodian.

***Management's Response***

*Concur. The school center will assign a document custodian for checks, drop safe log sheets, tickets and receipt books. The treasurer will assign the document custodian names on the assignment register,*

Palm Beach Lakes High School  
Management Letter  
Year Ended June 30, 2015

*PBSD 1663. Prenumbered Document Inventory Register, form 0160, will be maintained by School Treasurer, to document the periodic inventory checks of each prenumbered form.*

***Additional comments:***

*Palm Beach Lakes High School Treasurer and Administration will work in collaboration to ensure that the District's Fiscal operating procedures for Internal Funds are maintained and conducted accurately by all parties.*



**Park Vista High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 7900 Jog Road  
Lake Worth, FL 33467

Principal:  
Fiscal Year 2015: Reginald Myers  
During Audit: Reginald Myers

Treasurer:  
Fiscal Year 2015: Leigh Katusak  
During Audit: Leigh Katusak

Community School Director:  
Fiscal Year 2015: Ronald Peteck  
During Audit: Ronald Peteck

**Cash and Investments**

Checking	\$ 486,287.77
Investments	
	\$ 486,287.77

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 79,108.83	\$ 426,705.40	\$ 439,543.94	\$ 160,769.75	\$ 157,718.64	\$ 69,321.40
Music	38,723.27	526,914.72	531,351.28	193,074.66	197,302.89	30,058.48
Classes	15,264.32	77,738.17	74,980.56	25,518.84	25,869.48	17,671.29
Clubs	47,168.12	160,436.31	140,998.61	59,167.90	61,096.64	64,677.08
Departments	122,473.61	171,001.49	172,084.47	72,042.21	76,348.71	117,084.13
Trusts	140,240.04	320,783.61	336,489.39	24,156.52	14,663.57	134,027.21
General	51,662.79	46,307.92	42,792.58	39,484.85	41,214.80	53,448.18
	\$ 494,640.98	\$1,729,887.62	\$1,738,240.83	\$ 574,214.73	\$ 574,214.73	\$ 486,287.77

## 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 to the school secretary for record retention at the end of the school year.

### **Recommendation**

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. Faculty and staff will continue to be reminded at the beginning of the year, during the year, and at the end of the year to maintain these financial documents as required by District policy and protocol.*

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraiser records revealed that the sponsor for the Band Football Ad Sales (Account #2-1000.01) did not complete the eLearning Fundraiser Training Course during FY15.

### **Recommendation**

To ensure staff understand and comply with the key fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

### **Management's Response**

*Concur. As part of the sign out process for the end of the year all staff will be required to provide documentation that this training has been completed.*

## ADULT EDUCATION 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 accounting period. However, the fees collected during five of the ten months were not timely transmitted to the Central Office, with a delay ranging from five to 25 days.

**Recommendation**

In order to provide the Central Office with immediate available working capital for Adult Education and Community School Programs, fees collected from these programs should be timely transmitted to the Central Office in accordance with District's guidelines.

***Management's Response***

*Concur. All Adult Education tuition and GED special testing fees will be transmitted monthly to the Central Office within five working days per District policy and protocol.*

**Royal Palm Beach High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 10600 Okeechobee Boulevard  
 Royal Palm Beach, FL 33411

Principal:  
 Fiscal Year 2015: Jesus Armas  
 During Audit: Jesus Armas

Treasurer:  
 Fiscal Year 2015: JoAnne Hopkins  
 During Audit: JoAnne Hopkins

Community School Director:  
 Fiscal Year 2015: Alexandra Deveroux  
 During Audit: Alexandra Deveroux

**Cash and Investments**

Checking	\$ 168,729.29
Investments	
	\$ 168,729.29

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 7,966.53	\$ 153,534.68	\$ 158,847.55	\$ 53,025.22	\$ 44,483.16	\$ 11,195.72
Music	5,218.92	23,038.31	22,036.63	5,706.35	7,242.95	4,684.00
Classes	10,269.50	117,695.36	106,586.58	42,215.49	53,276.15	10,317.62
Clubs	48,723.05	197,756.35	203,495.96	76,115.78	65,068.10	54,031.12
Departments	20,765.64	72,108.34	78,520.21	26,854.42	17,665.63	23,542.56
Trusts	43,231.61	277,969.03	249,127.98	2,793.43	9,907.82	64,958.27
General	0.00	15,800.07	6,733.19	9,875.69	18,942.57	0.00
	\$ 136,175.25	\$ 857,902.14	\$ 825,348.10	\$ 216,586.38	\$ 216,586.38	\$ 168,729.29

## DEPOSIT OF MONIES

### Finding

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

- *Section 2* of the *Drop-safe Log* was completed and signed only by the school treasurer. *Section 2 of the Log* is to be filled out by the treasurer and the independent staff who accompanied the treasurer to the safe. They should jointly confirm that the listed items were removed from the safe by the treasurer for processing.
- Deposit information for MCR #476-1 (for \$1,590) was not recorded on the *Drop-safe Log*.

### Recommendation

To ensure proper fiscal accountability and comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, responsible staff should properly complete the *Drop-safe Log* with all the required information. Specifically, (1) activity sponsor should complete *Section 1* of the *Log* before dropping off the collections into the safe, (2) the treasure and the 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 (3) the 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. Section 2 of the Drop-safe Log will henceforth be completed by an independent staff member. All items will be included on the Drop Safe Log.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that:

- \$11,050 in sales revenue was deposited into the SC Homecoming Dance Ticket Sales Account (#4-4810.04). However, based on the *Ticket Seller's Reports*, this fundraiser should have generated a total estimated revenue of \$12,190. Consequently, \$1,140 in estimated revenue was unaccounted for.

<b>Tickets</b>	<b>Tickets Sold *</b>	<b>Selling Price *</b>	<b>Estimated Revenue</b>
Student Tickets	394	\$20	\$7,880
General Admission/Door Tickets	143	\$30	\$4,290
Official/Press Tickets	5	\$10	\$50
Cash Shortage *	-	(\$30)	(\$30)
Total Estimated Revenue			\$12,190
Total \$ Deposited Into Internal Funds			\$11,050
<b>Estimated Revenue Unaccounted for</b>			<b>\$1,140</b>

\* Source: Ticket Seller's Reports

- Student Parking Decal Sales (Account #7-0100.02) did not have the required *Fundraising Application/Recap Form* and *Sales Item Inventory Report*.

**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*.
- *Ticket Sellers Report* should be completed with accurate information in order for staff to reconcile the revenue with the number of tickets sold. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly.

**Management's Response**

*Concur. Student Parking will henceforth be treated as a fundraiser. Ticket Seller and master Ticket Seller Reports will be reviewed for accuracy. According to the Homecoming Dance Sponsor, the discrepancy in funds was complementary tickets given to Student Council members at the door reflected incorrectly on the paperwork.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

The review of sample disbursements and P-Card transaction records found that Disbursement #14223 (for \$11,563.76) was for the purchase of campus yearbooks. This purchase exceeded the \$5,000 threshold, but did not have three competitive quotes as required by *School Board Policy 6.14, Section 4.b.iii*.

**Recommendation**

*School Board Policy 6.14, Section 4.b.iii.*, states, “*In such cases where the School Board or designee has not approved a vendor for the commodities or contractual services needed, the Principal shall make purchases exceeding five thousand dollars (\$5,000), to the extent authority has been delegated above, using a minimum of three (3) competitive quotes, when feasible...*”

**Management’s Response**

*Concur. The yearbook contract for FY16 has already been signed. The yearbook sponsor will commence with bids in FY17.*

**CONTROL OF PRENUMBERED DOCUMENTS**

**Finding**

The review of controls of prenumbered documents found that:

- The community school secretary was the document custodian for *Adult Community Education Receipts*, but the secretary was also responsible for collecting community school and adult education fees.
- The *Drop-safe Log* inventory was maintained by the budget bookkeeper. However, the *Document Custodian Assignment Register* indicated that the school treasurer was the document custodian for the *Log*.

**Recommendation**

To ensure proper fiscal accountabilities and as required by *Internal Accounts Manual, Chapter 27*, the school should comply with the procedures stipulated in the *Internal Accounts Manual*. Specifically, “*The document custodian for each form may be someone different, but it should be someone who is not involved in the day-to-day use of the form.*”

**Management’s Response**

*Concur. Adult Education Director will henceforth be the receipt documentation custodian. Drop Safe Log 0160 will henceforth be maintained by an independent staff member.*

**Santaluces High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 6880 Lawrence Road  
Lantana, FL 33462

Principal:  
Fiscal Year 2015: Tameka Robinson  
During Audit: Tameka Robinson

Treasurer:  
Fiscal Year 2015: Susan Diglio  
During Audit: Susan Diglio

Community School Director:  
Fiscal Year 2015: James Utterback  
During Audit: James Utterback

**Cash and Investments**

Checking	\$ 265,956.98
Investments	
	\$ 265,956.98

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 37,986.25	\$ 149,085.78	\$ 155,831.51	\$ 53,712.34	\$ 53,120.52	\$ 31,832.34
Music	15,437.43	81,863.46	61,577.96	38,851.83	41,206.27	33,368.49
Classes	10,987.98	48,361.55	47,270.04	7,129.31	6,395.54	12,813.26
Clubs	17,362.84	51,317.63	53,775.95	14,177.99	17,936.76	11,145.75
Departments	63,026.16	90,947.52	97,753.50	63,757.02	50,196.86	69,780.34
Trusts	106,903.21	440,210.73	436,924.26	13,097.31	24,590.40	98,696.59
General	10,407.97	5,159.96	9,968.27	2,720.55	0.00	8,320.21
	\$ 262,111.84	\$ 866,946.63	\$ 863,101.49	\$ 193,446.35	\$ 193,446.35	\$ 265,956.98



## DEPOSIT OF MONIES

### Finding

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

- Monies collected were not always deposited into the drop-safe in a timely manner. For example, \$2,834 collected through four MCRs (#616-1, #616-6, #669-10 and #671-12) was retained by the sponsors between two and four working days before it was put into the drop-safe for deposit.
- Some sponsors did not always complete *Section 1* of the *Drop Safe Log* with all the required information. Specifically, the dates of collection were missing on five pages of the *Logs* (page #s 12-28118, 12-28116, 12-28117, 14-01995, and 14-01891).

### 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 exposure to staff and increased potential irregularities.
- To ensure proper fiscal accountability and comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, deposit information, including the date of collection, should be properly recorded on the *Drop-safe Log*.

### Management's Response

*Concur. An email was sent to all 1611-mail informing them to fill out both dates on the Drop Safe Log when making deposits.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

- The Yearbook Sales (Account #5-0450.00) did not have the required *Sales Item Inventory Report*. This *Report* should contain the sales information such as selling prices, quantities sold, and

inventory counts. Without this documentation, there was no assurance that all the monies collected were properly accounted for.

- The sponsor for the Criminal Justice Parking Decals (Account #5-9988.01) did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015.

### **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 prepared for all fundraisers. The information to be noted on the *Report* should assist staff in reconciling the sales revenue with the estimated revenue. Moreover, the *Report* should be approved by the Principal in order to confirm the legitimacy for any items that were given-away free-of-charge, or missing. Significant discrepancy, if any, between the estimated revenue and actual collection should be investigated and resolved accordingly.
- To ensure staff understand and comply with the fundraiser procedures, sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

### **Management's Response**

*Concur. 1) The Yearbook advisor was in an accident at the end of the year. There are online sales that go directly to the company. The advisor did attach a spreadsheet with purchases and add-ons for the yearbooks for inventory, there are never any left because orders are filled as needed. 2) Criminal Justice advisor is not a school district employee, therefore, he had no access to eLearning and/or PeopleSoft. His accounting and deposits were always done with utmost precision. Present the Criminal Justice instructor has a district employee number and will complete the training.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

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

- Disbursement #14626 (for \$1,437.77) was for the purchase of two digital cameras (at \$699.00 each) and a tripod. However, the cameras were not available for our inspection during the audit. According to staff, the cameras were checked out by students without documentation as to who checked them out.
- The school purchased a \$1,392 Printing & Pressing Equipment (Disbursement #14009). Although the asset value exceeds the \$1,000 threshold which requires a District's asset tag and the asset should be recorded in the District's Asset Management System, this item was not attached with a District's asset tag

### **Recommendation**

Disbursement procedures should be administered in accordance with *Internal Accounts Manual* and related District guidelines. Specifically,

- All school assets should be properly accounted for at all time. Moreover, school property temporarily removed from campus should be documented on *Off-Premises Property Transfer Forms* (PBSD 1279) and approved by the Principal accordingly.
- Pursuant to District's *Capital Assets Policies & Procedures, Section VI.*, schools/ departments are responsible to "Tag all items greater \$1,000 (non-computer) with a District ownership tag."

### **Management's Response**

*Concur. The teachers have a list of students who have cameras. There are many off campus activities that require students' attendance for grades. There is now a sign-in/sign-out sheet for students. The Print/press equipment does NOW have an asset tag.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The review of leases found that:

- Sales tax collected from two leases (\$120 for Lease #1015 and \$1.80 for Lease #1028) were inadvertently allocated and recorded in the Rental Income and Utilities Accounts, instead of the Florida Sales Tax Payable Account. As a result, the school under-transmitted \$121.80 in sales tax to the Central Office.
- The school mistakenly used the non-profit rate to allocate the utility portion of rentals for Commercial Lease #1065. As a result, the school over-transmitted \$382.50 in utility fee to the Central Office.

### **Recommendation**

Leasing revenues should be allocated in accordance with the *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). The portion of sales tax, insurance, and utility fees should be periodically transmitted to the Central Office.

***Management's Response***

*Concur. We will discuss with accounting about the best method to correct transmittals mentioned. We will do our best to review transmittals to minimize future mistakes.*

**ADULT EDUCATION AND COMMUNITY SCHOOL**

**Finding**

***Chapter 14 of the Internal Accounts Manual*** requires 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. However, the fees collected during six of the 12 months were not timely transmit to the Central Office within the required timeframe. Delays ranged from five to 43 days.

**Recommendation**

All GED Special Testing and Adult General Education fees should be transmitted to the Central Office within five business days after the close of accounting period, as required by District procedures.

***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, 2015**

Address: 4601 Seminole Pratt Whitney Road  
Loxahatchee, FL 33470

Principal:  
Fiscal Year 2015: James Campbell  
During Audit: James Campbell

Treasurer:  
Fiscal Year 2015: Sherry Permenter  
During Audit: Sherry Permenter

Community School Director:  
Fiscal Year 2015: David Carroll  
During Audit: David Carroll

**Cash and Investments**

Checking	\$ 534,330.46
Investments	
	\$ 534,330.46

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 74,386.50	\$ 269,858.76	\$ 271,133.45	\$ 125,504.00	\$ 131,669.00	\$ 66,946.81
Music	59,847.40	224,027.14	231,760.86	70,929.59	72,662.24	50,381.03
Classes	20,906.92	68,193.01	58,745.70	27,964.51	29,478.27	28,840.47
Clubs	33,142.64	134,850.67	117,528.55	45,234.03	45,069.47	50,629.32
Departments	103,771.33	243,551.68	212,637.84	81,236.57	80,221.17	135,700.57
Trusts	196,939.13	253,503.02	273,294.15	31,117.31	25,301.38	182,963.93
General	17,422.11	44,851.55	45,820.85	22,141.39	19,725.87	18,868.33
	\$ 506,416.03	\$1,238,835.83	\$1,210,921.40	\$ 404,127.40	\$ 404,127.40	\$ 534,330.46

## 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, \$3,783.03 collected through 16 sample MCRs was retained by the sponsors for one to seven working days before they were put into the drop-safe for deposit.
- Section 2 of the *Drop-safe Log* was not always jointly completed by the school treasurer and a witness verifier when collections were removed from the safe for processing by the treasurer. It was signed only by the treasurer.
- Some activity sponsors did not always record the deposit information on the *Drop-safe Log* before dropping off the monies into the drop-safe. For example, on four sample pages of the *Logs*, nine collections, totaling \$3,013, were subsequently recorded on the *Logs* by the treasurer, instead of the activity sponsors.
- 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 potential irregularities.
- 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 the 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. Lastly, the verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- To ensure fiscal accountabilities through 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 providing the collections to the treasurer for deposit.

***Management's Response***

*Concur. 1) Refreshed staff on proper deposit steps at the 11/5/15 faculty meeting. 2) Always have someone remove funds from safe with bookkeeper, never had the only person sign but will now. 3) Concur. 4) Someone else will open all mail.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The fundraiser sponsors for the Band Concessions Sales (Account #2-1000.01) and General Activities – Student Parking (Account #7-0100.02) did not complete the eLearning Fundraiser Training during Fiscal Year 2015.

**Recommendation**

To ensure staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

***Management's Response***

*Concur. Will use a list of course completers prior to approving fundraisers.*

**DOCUMENTATION FOR DISBURSEMENTS**

**Finding**

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

- Three disbursements (#16373, #16862, and #16869, totaling \$14,995) were payments to a vendor for providing entertainment equipment and attendants for the Project Graduation event. Contracting with this vendor was supported only by the vendor's *Special Events Contract*, without the required (1) *School District Consultant Agreement (PBSD 1420)*, (2) proof of background and clearance checks for the attendants, and (3) proof of liability insurance coverage from the vendor.
- A \$423.43 P-Card payment was supported by a hotel reservation confirmation email, without an itemized invoice.

**Recommendation**

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

Seminole Ridge High School  
Management Letter  
Year Ended June 30, 2015

- The *School District Consultant Agreement (PBSD 1420)* should be properly executed prior to the consultants performing services at the school. Moreover, to protect the safety and welfare of students, the school should ensure that the consultant has passed the required background and clearance check as required by *Florida Statutes §1012.465 (Jessica Lunsford Act)*.
- Special events should be administered in accordance with the District's *Special Events Guide for Insurance and Loss Prevention*. Specifically, the vendor should complete the required *Hold Harmless Agreement (PBSD 2496)* or *Addendum to Consultant Agreement (PBSD 2495)* for insurance requirements and Waiver of Subrogation terms.
- To ensure that purchases are appropriate, expenditures 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***

*Will ensure that all pcard travel transactions have necessary documentation.*



**Spanish River High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 5100 Jog Road  
Boca Raton, FL 33496

Principal:  
Fiscal Year 2015: William Latson  
During Audit: William Latson

Treasurer:  
Fiscal Year 2015: Donna D' Aria  
During Audit: Donna D' Aria

Community School Director:  
Fiscal Year 2015: Todd Bolar  
During Audit: Todd Bolar

**Cash and Investments**

Checking	\$ 542,111.09
Investments	
	\$ 542,111.09

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 79,408.79	\$ 242,023.32	\$ 261,194.30	\$ 51,886.62	\$ 51,198.66	\$ 60,925.77
Music	30,378.11	123,172.63	132,386.92	21,346.54	21,911.29	20,599.07
Classes	17,876.71	106,477.39	117,814.65	33,579.48	26,039.48	14,079.45
Clubs	116,720.72	273,490.28	294,095.88	47,632.43	49,299.51	94,448.04
Departments	98,126.93	125,369.14	128,140.71	14,962.11	11,533.11	98,784.36
Trusts	170,007.76	484,908.29	441,910.88	49,008.85	49,149.26	212,864.76
General	36,484.84	39,278.60	26,069.08	36,921.68	46,206.40	40,409.64
	\$ 549,003.86	\$1,394,719.65	\$1,401,612.42	\$ 255,337.71	\$ 255,337.71	\$ 542,111.09

## DEPOSIT OF MONIES

### Finding

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

- The 2<sup>nd</sup> and 3<sup>rd</sup> Sections of the *Drop-safe Logs* were not always completed with the required information. The required information include the dates and signatures/initials of the independent staff who accompanied the school treasurer in removing collections from the safe for processing. This independent person should also verify the collections had been recorded in the General Ledger by the treasurer.
- At the year-end, sponsors are required to submit all the yellow copies of the MCRs along with the computerized *Official Receipts* to the school secretary for record keeping. However, some sponsors did not turn in the required documentation, and some only submitted the yellow copies without the *Official Receipts*.
- We noted that incoming mails were sorted and distributed by someone other than the school treasurer; but those mails addressed to the treasurer were given to her for opening and processing.
- Monies collected were not always deposited in a timely manner. For example, \$255.60 collected through four MCRs (#569-31, #569-31, #612-4, and #612-5) was retained by the sponsors for one to 17 working days before it was put into the drop-safe for deposit.
- MCRs were not always completed accurately. For example, five MCRs for Deposit #569 contained mathematical errors in which the total collections did not agree with the details listed on the MCRs. Another five MCRs contained the dollar amounts of some checks that did not agree with the actual check amounts.

### 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 *Bulletin #P-14051-S/CFO*. Specifically,

- Responsible staff should properly 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 the 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. Lastly, the verifier should complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- 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..."

- To safeguard school assets through 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 providing the collections to the treasurer for deposit.
- **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.
- To ensure proper fiscal accountability, the school treasurer should verify the accuracy of monies turned in by sponsors for deposit prior to entering records into the General Ledger. Discrepancies between the amount of monies turned in and the amount on related collection records should be investigated and resolved accordingly. Changes on MCRs made by the treasurer should be acknowledged and initialed by the sponsors.

***Management's Response***

*Concur. Training session was done on 8/11/2015 with teaching staff.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of fundraiser documentation revealed that:

- The sponsors for three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) General Parking Decal Sales (Account #7-0100.01) and Band Coupon Book Sales (Account #2-1000.06).
- The *Sales Item Inventory Report* for Yearbook Sales (Account # 5-0450.00) was not completed with all the required information. Missing information included the quantities of Yearbook sold at different prices and the revenues collected. In addition, the *Report* was not reviewed and signed off by the Principal.
- The General Parking Decal Sales and Football Cookie Dough Sales did not have the required *Fundraising Application/Recap Form*.

**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 fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course 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. Moreover, the *Report* should be approved by the Principal to confirm the legitimacy for any items that were given-away free-of-charge, or missing. 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*.

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

*Concur. Teachers given until 11/1/2015 to do required training.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

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

- Disbursement #36428 (\$1,270.00) was for payment to a consultant for services provided during June 2014. This disbursement was supported by a *School District Consultant Agreement (PBSD 1420)* with effective date beginning in July 2014, subsequent to services provided by the consultant. In addition, the *Agreement* had a maximum contract amount of \$9,000, was approved only by the Principal, but without the signatures of the Area/Assistant Superintendent, Chief Academic/ Operating Officer and Superintendent.
- Two disbursements (#36424 and #36456, totaling \$2,255) for payments of consultant services for the school's Band during July and August 2014 were supported by a *School District Consultant Agreement (PBSD 1420)*. However, the *Agreement* was for the period of November 2014 through June 2015, which did not cover the service dates for these two payments.
- Disbursement #38210 (for \$4,186.48) was for payment of catering services without the required *School District Consultant Agreement (PBSD 1420)*.
- Disbursement #38407 (for \$747) was for purchase of lawn chemicals. However, purchase of chemicals and custodial supplies is disallowed by the District's purchasing guidelines.
- Disbursement #36683 (for \$517.28) did not have any supporting documentation for the expense.

- The *Purchase Orders* for three disbursements (#36622 for \$6,282.50, #36996 for \$3,053.56, and #36556 for \$4,662.50) were not approved by the Principal until after the purchases took place for 11 to 25 working days.

### **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 check must have been conducted and cleared as required by *Section 8 of the Agreement* and *Florida Statutes §1012.465*.
- Pursuant to *School Board Policy 6.14* and the instructions on the *School District Consultant Agreement (PBSD 1420)*, consultant contracts for "\$5,001 to \$10,000 per vendor/fiscal year/location requires signature of consultant, principal/director, area/assistant superintendent, chief academic/operating officer and superintendent."
- To protect the safety of students, purchase of chemicals should be reviewed and approved by the Purchasing Department as required by *Bulletin #P-12224-CAO/COO*.
- 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.
- *Purchase Order* approved by the Principal is required for purchase in excess of \$1,000. This will help ensure that funds are and will be available for the purchase. In addition, all purchases should be pre-approved by the Principal.

### **Management's Response**

*Concur. We need a consultant agreement for a catering company during a student banquet? Disbursement #36683 has invoice and it does match.*

## **PRE-KINDERGARTEN PROGRAMS**

### **Finding**

The review of the fee collection records for the school's Pre-Kindergarten Program found that:

- One student who attended the program during March 2015, did not have the required *Registration Form*.

Spanish River High School  
Management Letter  
Year Ended June 30, 2015

- The tuition fees collected from the program were not transmitted to the Central Office monthly as required by District's guidelines. The fees were, however, transmitted to Central Office in December 2014 and June 2015.

**Recommendation**

- To protect the best interests of students and the school, *Registration Forms* for students in the Pre-kindergarten Program should be completed with the needed information and signed by their parents/guardians.
- Program fees should be transmitted to the Central Office monthly in accordance with the District's guidelines.

***Management's Response***

*Concur. Met with director to review her process to be in compliance.*

**PRENUMBERED DOCUMENTS**

**Finding**

A review of controls in prenumbered documents revealed that the school did not maintain:

- *Document Custodian Assignment Register* (PBSD 1663) which documented the assignment of custodians for each prenumbered forms on school campus.
- *Prenumbered Document Inventory Registers* (PBSD 0160) for *Drop-safe Log*, *Adult Education Receipt Books*, and prenumbered tickets.

**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).
- Each assigned document custodian should use the *Prenumbered Document Inventory Register* (PBSD 0160) to confirm the periodic inventory of the prenumbered forms.

***Management's Response***

*Concur. Met with document custodian on process to insure they knew it.*

**Suncoast High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 1717 Avenue "S"  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2015: Linda Cartlidge  
During Audit: Linda Cartlidge

Treasurer:  
Fiscal Year 2015: Lynn Gold  
During Audit: Lynn Gold

**Cash and Investments**

Checking	\$ 282,624.58
Investments	
	\$ 282,624.58

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 89,494.81	\$ 306,130.53	\$ 316,641.93	\$ 82,067.75	\$ 83,107.75	\$ 77,943.41
Music	7,666.41	98,108.00	103,115.57	20,077.56	12,752.95	9,983.45
Classes	32,369.58	113,825.00	90,070.23	1,446.34	17,415.17	40,155.52
Clubs	32,930.67	179,073.77	168,747.06	37,069.97	45,089.39	35,237.96
Departments	91,169.18	182,656.65	216,919.55	17,243.64	8,777.84	65,372.08
Trusts	34,226.11	187,614.85	168,662.80	12,475.62	11,829.34	53,824.44
General	14,849.37	64,600.61	87,933.82	29,679.20	21,087.64	107.72
	\$ 302,706.13	\$1,132,009.41	\$1,152,090.96	\$ 200,060.08	\$ 200,060.08	\$ 282,624.58

## DEPOSIT OF MONIES

### Finding

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

- Some sponsors did not always record the deposit information on the *Drop-safe Log* before dropping off the monies into the safe. For example, the activity sponsors did not record the information for 12 collections (totaling \$2,120) on the *Log*. According to the school's receptionist, the information was subsequently entered into the *Log* (page #s 1280269, 12-80282, 12-80286, 12-80294, 12-80299, 12-80307, 14-9405, 14-9414, 12-80336, 14-19454, 14-19440, and 14-19423 ) by the receptionist when the collections were removed from the safe for processing by the school treasurer.
- Sections 2 and 3 of the *Drop-safe Log* were not always completed with all the required information. Missing information included (1) the date and initial/signature of the verifier who witnessed the removal of collections from the safe for processing by the treasurer, and (2) the *Official Receipt* number and the initial/signature of the verifier who confirmed the entries to the General Ledger.
- Monies collected were not always deposited in a timely manner. For example, \$3,733 collected through 10 sample MCRs (#758-4, #758-9, #794-3, #994-3, #874-4, #874-12, #874-17, #874-18, #874-22, and #752-12) was retained by the sponsors for one to 31 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,

- 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 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 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 potential irregularities.



***Management's Response***

*Concur. I conducted a faculty meeting to address each of the areas listed above.*

**DOCUMENTATION FOR FUNDRAISERS**

**Finding**

The review of sample fundraiser documentation revealed that:

- The sponsors for two fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Athletics Tree/ Wreath Sales (Account #1-0010.08), and (2) P.E. Uniform Sales (Account 5-1900.01).
- The Athletics Tree/Wreath Sales (Account #1-0010.08) was conducted during October 1, 2014, through December 6, 2014. However, the *Fundraising Application/Recap Form* was not approved by the Principal until July 23, 2015; i.e. nine months after the event had begun, and over several months after the event was completed.
- The *Sales Item Inventory Report* the P.E Uniform Sales 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 staff understand and comply with the fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course 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 Report* should be approved by the Principal to confirm the legitimacy for any items 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. I conducted a faculty meeting to address each of the areas listed above.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

The review of sample disbursements and P-Card documentation found that the *School District Consultant Agreements (PBSD 1420)* were not always executed prior to the consultants' beginning working on school campus:

- The *Agreement* for Disbursement #15744 (for \$1,800) was not signed by the consultant and approved by the Principal until 34 and 40 days respectively after the consultant had begun providing services to the school.
- The *Agreement* for Disbursement #15712 (for \$2,200) did not have the date for the consultant's signature and was not approved by the Principal until 40 days after the consultant had begun providing services to the school.
- The *Agreement* for Disbursement #15624 (for \$1,695.95) did not have the dates of signatures of the consultant and the Principal.
- The *Agreement* for Disbursement #14653 (for \$5,000) did not have the date of the consultant's signature.

### 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 check must have been conducted and cleared as required by *Section 8 of the Agreement* and ***Florida Statutes §1012.465***.

### Management's Response

*Concur. I conducted a faculty meeting to address each of the areas listed above.*

### Additional comments

*I also met with each individual person that was in violation of the procedures noted in the report.*

**Wellington High School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 2101 Greenview Shores Boulevard  
Wellington, FL 33414

Principal:  
Fiscal Year 2015: Mario Crocetti  
During Audit: Mario Crocetti

Treasurer:  
Fiscal Year 2015: Dorothy Billi  
During Audit: Dorothy Billi

Community School Director:  
Fiscal Year 2015: Chris Romano  
During Audit: Chris Romano

**Cash and Investments**

Checking	\$ 607,166.79
Investments	
	\$ 607,166.79

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 103,726.36	\$ 423,687.80	\$ 407,375.07	\$ 169,358.63	\$ 183,957.92	\$ 105,439.80
Music	10,875.36	63,893.84	63,010.52	4,292.07	2,189.57	13,861.18
Classes	4,157.48	6,267.00	7,524.67	957.15	1,295.15	2,561.81
Clubs	83,589.15	284,902.26	272,534.81	63,356.62	71,767.64	87,545.58
Departments	84,383.49	214,440.90	204,810.00	60,399.07	45,967.14	108,446.32
Trusts	227,719.77	439,465.77	432,052.74	26,366.95	14,410.11	247,089.64
General	61,871.32	50,154.01	64,659.91	37,754.61	42,897.57	42,222.46
	\$ 576,322.93	\$1,482,811.58	\$1,451,967.72	\$ 362,485.10	\$ 362,485.10	\$ 607,166.79

## DEPOSIT OF MONIES

### Finding

The review of the money collection process at the school revealed that *Section 3* of the *Drop-safe Log* was completed by the school treasurer instead of an independent staff, who should verify that the collections had been recorded in the General Ledger by the treasurer.

### Recommendation

To ensure proper fiscal accountability and as required by *Bulletin #P-14051-S/CFO, Section 3* of the *Drop-safe Log* should include the receipt number generated for the deposit entry in SchoolCash, notations for any variance between the sponsors' record on the *Drop-safe Log* and the amount of monies counted, and the signature/initial of the independent staff who verified that the collections had been recorded in the General Ledger.

### Management's Response

*Concur.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that the sponsors for the following three fundraisers did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015: (1) ASL T-shirt (DTBD) Sales, (2) Wrestling Gear Sales, and (3) PE Uniform Sales. In addition, the *Sales Item Inventory Reports* for the above three fundraisers 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 staff is aware of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.
- *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. Moreover, the *Report* should be approved by the Principal in order to confirm the legitimacy for any items that were given-away free-of-charge, or missing.

### Management's Response

*Concur.*

## DOCUMENTATION FOR FIELDTRIPS

### Finding

The review of sample disbursements and fieldtrip records revealed that:

- The *Field Trip/Activity Planning Report and Approval Request* for the out-of-county (Key West) Swim Meet fieldtrip (Disbursement #15796 for 1,640.25) was not approved by the Area Superintendent.
- The *Field Trip/Activity Planning Report and Approval Request* for the out-of-county (Orlando) Football Camp fieldtrip (Disbursement #17986 for \$9,230) was neither approved by the Principal nor the Area Superintendent.

### Recommendation

Field trips should be administered in accordance with *School Board Policy 2.40*. Specifically, out-of-county fieldtrip should be approved by the Principal and Area Superintendent.

### Management's Response

*Concur.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that:

- The school did not maintain the *Document Custodian Assignment Register* (PBSD 1663).
- The *Prenumbered Document Inventory Registers* (PBSD 0160) for *School Checks* and *Drop-safe Logs* were prepared by the school treasurer for signature by the Document Custodian.

### 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).
- *Drop-safe Logs* and *School Checks* should be inventory checked monthly by the designated document custodian through the *Prenumbered Document Inventory Register* (PBSD 0160).

Wellington High School  
Management Letter  
Year Ended June 30, 2015

***Management's Response***

*Concur.*

**West Boca Raton High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 12811 Glades Road  
 Boca Raton, FL 33498

Principal:  
 Fiscal Year 2015: Mark Stenner  
 During Audit: Craig Sommer

Treasurer:  
 Fiscal Year 2015: Linda Scharrer  
 During Audit: Linda Scharrer

Community School Director:  
 Fiscal Year 2015: Lyle Agnew  
 During Audit: Lyle Agnew

**Cash and Investments**

Checking	\$ 737,295.52
Investments	
	\$ 737,295.52

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 150,301.72	\$ 225,973.40	\$ 245,598.32	\$ 61,967.94	\$ 62,766.26	\$ 129,878.48
Music	74,565.05	136,523.79	111,474.26	110,796.18	45,491.43	164,919.33
Classes	10,833.58	67,393.20	57,064.22	11,809.90	18,250.62	14,721.84
Clubs	48,518.63	86,875.32	79,989.66	32,572.87	35,677.19	52,299.97
Departments	87,941.71	270,038.88	267,054.42	162,887.48	144,366.61	109,447.04
Trusts	190,911.36	439,205.91	397,223.95	42,127.82	122,212.40	152,808.74
General	107,746.98	41,393.21	42,522.39	48,292.86	41,690.54	113,220.12
	\$ 670,819.03	\$1,267,403.71	\$1,200,927.22	\$ 470,455.05	\$ 470,455.05	\$ 737,295.52

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that the *Sales Item Inventory Reports* for Girls' Volleyball Fan Cloth Catalog Sales (1-6510.02) and Band Gift Wrap Sales (Account #6-0650.09) were not completed with any of the fundraising 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.

### Recommendation

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. To ensure proper fiscal accountability, *Sales Item Inventory Report* should be prepared and completed with the required information for each fundraiser. Accurate information should assist staff in reconciling the sales revenue with the estimated revenue. Significant discrepancy, if any, between the estimated revenue and actual collection should be investigated and resolved accordingly.

### Management's Response

*[Former principal] Concur. Girls Volleyball coach could not obtain copy of catalogue with prices which was attached to the inventory sheet, a portion of the catalogue was missing.*

*[Current principal] Concur.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Two disbursements (#22715 for \$9,522.49 and #23190 for \$2,133.31) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- The school had a *Consultant Agreement (PBSD 1420)* with a consultant to provide services for the Addams Family Drama Play. The *Agreement* had a maximum compensation of \$5,000. The school paid this consultant through three disbursements (#23480, #23730, and #23965) for a total of \$5,500, which exceeded the contract amount by \$500. Moreover, the total payment exceeded \$5,000, but did not have the required approval of the Area Superintendent, Chief Academic Officer and the Superintendent.
- Disbursement #22659 (for \$1,687.06) was for reimbursing a staff for a school purchase (four refrigerators) that included \$91.54 in sales tax. Sales tax is not reimbursable for eligible school purchases.



### **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 being made; and (2) *Purchase Orders* should be issued for purchases in excess of \$1,000.
- The amount of payments to consultant should be consistent with the terms of the agreement. A new agreement or an addendum to the existing agreement should be executed for procuring additional service beyond the contract amount.
- Pursuant to *School Board Policy 6.14* and the instructions on the *School District Consultant Agreement (PBSD 1420)*, consultant contracts for "\$5,001 to \$10,000 per vendor/fiscal year/location requires signature of consultant, principal/director, area/assistant superintendent, chief academic/operating officer and superintendent."
- The School District is a tax-exempt government entity and is exempt from paying sales tax for eligible purchases. As a result, sales tax is not reimbursable for eligible items purchased for the school.

### **Management's Response**

*[Former principal] Concur. Regarding the sales tax reimbursement, an oversight by the School Treasurer. Referencing check #22715 for \$9,522.49 and check #23190 for \$2,133.31, school is unable to locate the PO. School will continue to try and locate PO. Consultant contract exceeding the \$5,000, concur. It should not have happened.*

*[Current principal] Concur.*

## **LEASING OF SCHOOL FACILITIES**

### **Finding**

The review of school facility leasing records found that:

- Lease #1002 was for the use of school facilities during September 2014, through April 2015. However, the rentals for February 2015 and September 2014 were not collected prior to the use of facility by the lessee, with delays of two to 20 days respectively.
- *Lease Agreement* #1004 was not signed by the lessee and the witness.

### **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 “*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.*”
- 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. Lease #1002 monies should be collected before the commencing of the lease.*

*[Current principal] Concur.*

## **ADULT EDUCATION PROGRAMS**

### **Finding**

*Chapter 14 of the Internal Accounts Manual* requires 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. However, the fees collected during seven of the 12 months were not timely transmitted to the Central Office, with delays ranging from five to 54 days.

### **Recommendation**

The school should transmit the Adult Education fees to the Central Office in accordance with the District’s guidelines.

### **Management’s Response**

*[Former principal] Concur. Transmittal of funds should be completed in a timely manner.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of controls in prenumbered documents disclosed that:

- The *Document Custodian Assignment Register* (PBSD 1663) was not approved by the Principal.
- The school did not have the required *Prenumbered Document Inventory Register* (PBSD 0160) for the *Drop-Safe Log*.

**Recommendation**

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

- The *Document Custodian Assignment Register* (PBSD 1663) should be signed by the Principal to confirm the assignment of designated staff as document custodian for each prenumbered form on campus.
- Document custodian should use the *Prenumbered Document Inventory Register* (PBSD 0160) to confirm the periodic inventory of the prenumbered forms. Specifically, the *Drop-Safe Log* should be inventory-checked monthly.

***Management's Response***

*[Former principal] Concur. An oversight occurred when the principal did not sign the Document Custodian Register (PB1663) in a timely manner.*

*[Current principal] Concur.*

**William T. Dwyer High School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 13601 North Military Trail  
Palm Beach Gardens, FL 33418

Principal:  
Fiscal Year 2015: Glenda Sheffield  
During Audit: Glenda Sheffield

Treasurer:  
Fiscal Year 2015: Connie Hodgdon  
During Audit: Connie Hodgdon

**Cash and Investments**

Checking	\$ 319,736.66
Investments	
	\$ 319,736.66

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 44,519.88	\$ 160,924.25	\$ 153,204.84	\$ 17,934.61	\$ 33,063.38	\$ 37,110.52
Music	2,380.20	28,755.00	25,325.20	10,611.10	10,474.30	5,946.80
Classes	95,905.34	110,165.62	150,791.42	13,515.65	13,896.65	54,898.54
Clubs	36,610.66	158,867.00	168,671.87	36,154.47	28,769.23	34,191.03
Departments	64,604.86	155,188.10	165,677.08	54,939.30	53,304.13	55,751.05
Trusts	130,097.53	248,207.10	266,849.76	32,603.75	32,756.50	111,302.12
General	16,744.58	1,822.00	4,535.29	6,806.58	301.27	20,536.60
	\$ 390,863.05	\$ 863,929.07	\$ 935,055.46	\$ 172,565.46	\$ 172,565.46	\$ 319,736.66

## DEPOSIT OF MONIES

### Finding

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

- *Section 2* of the *Drop-safe Log* was not always verified by a second person; instead, it was completed only by the school treasurer.
- Monies collected were not always deposited in a timely manner. For example, \$715 collected through four sample MCRs (#436-29, #468-11, #468-05, and #468-23) was retained by the sponsors for one to nine 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 *Bulletin #P-14051-S/CFO*. Specifically,

- *Section 2 of the Log* should be filled out by the treasurer and the independent staff who accompanied the treasurer to the safe. They should jointly confirm that the listed items were removed from the safe by the treasurer for processing.
- *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 exposure to staff and increased potential irregularities.

### Management's Response

*Concur. Findings were reviewed with staff and a review of proper procedures occurred (Holding of Funds).*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of sample fundraiser records found that:

- The school purchased 98 hoodies for the Class of 2015 Hoodie Sales (Account #3-2015.01) fundraiser. As indicated by the sponsor on the *Sales Item Inventory Report*, 42 (43%) hoodies were given-away free-of-charge. The give-away items had a total estimated resale value of \$1,330 (based on average sales price). Although the *Report* was approved by the Principal, no documentation was maintained as to who received the given-away items.

- The *Sales Item Inventory Report* for the Panther Graphics T-Shirts Sales (Account #5-0250.01) was completed with inaccurate information. Specifically, (1) the school's purchasing records indicated that 5,120 shirts were purchased for this fundraiser but the *Report* indicated that only 4,772 shirts were purchased, and (2) the *Report* indicated there were 1,508 unsold shirts remained in inventory, but 2,795 shirts were found during our examination of the inventory during the audit.
- The sponsor did not prepare the *Sales Item Inventory Report* and did not complete the Recap Section (actual sales) on the *Fundraiser Application/Recap Form* for the Athletic Parking Decal Sales (Account #1-1010.01). During the audit, the school treasurer prepared a *Sales Item Inventory Report* based on the school's purchasing records and the unsold permits on hand.

### **Recommendation**

Fundraisers should be administered in accordance with ***School Board Policy 2.16*** and related District guidelines. Specifically, to ensure proper fiscal accountability,

- Items purchased with school funds and provided free-of-charge to students, staff members, or the community should follow similar requirements as specified in ***Bulletin #P-12690-CAO/COO/P*** for gift cards, that "*schools must maintain documentation of all recipients of gift cards.*" Records for give-away items should include the purposes and the names of recipients.
- *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, if any, between the estimated revenue and actual collection should be investigated and resolved accordingly.

### **Management's Response**

*Procedures will be reviewed with club sponsors. Please note: the Sales Inventory Report was completed by the school treasurer because the sponsor was out on a family emergency the last 2 weeks of school. All items were accounted for during such time.*

## **DOCUMENTATION FOR DISBURSEMENTS**

### **Finding**

The review of sample disbursements revealed that:

- Disbursement #15082 (for \$2,082) was for payment to a vendor for providing entertainment activities, including a bounce house, during the May 19, 2015, Project Graduation Event. However, (1) the vendor's *Certificate of Insurance* inadvertently included the School District, instead of the School Board, as the certificate holder and additional insured party for liability insurance coverage; (2) the vendor's general liability insurance coverage was \$2,000,000 instead of the District's required \$3,000,000, and (3) the required *Addendum to Consultant Agreement (PBSD 2495)* was missing.

- The *Purchase Order* for Disbursement #13682 (for \$1,400) was neither prepared by staff nor approved by the Principal until one and two days respectively after the purchase.

### **Recommendation**

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

- To protect the best interests of the School District, special events should be administered in accordance with the District's *Special Events Guide for Insurance and Loss Prevention*. The vendor should provide the school with proof of general liability insurance coverage of at least \$3 million and include the School Board as an additional insured party for liability insurance coverage. In addition, the vendor should complete the required *Addendum to Consultant Agreement (PBSD 2495)* for insurance requirements and Waiver of Subrogation terms.
- *Purchase Order* pre-approved by the Principal should be issued for 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 make certain forms and proper insurance rates are accurate.*

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# **Other Schools**

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**Adult Education Center  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 2161 North Military Trail  
West Palm Beach, FL 33409

Principal:  
Fiscal Year 2015: Rick Swearingen  
During Audit: Rick Swearingen

Treasurer:  
Fiscal Year 2015: Carolyn Jefferson  
During Audit: Carolyn Jefferson

**Cash and Investments**

Checking	\$ 90,920.43
Investments	
	\$ 90,920.43

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	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	12.20	15.00	0.00	0.00	0.00	27.20
Trusts	19,805.94	227,780.96	225,172.40	6,640.01	15,705.01	13,349.50
General	50,261.13	24,567.22	6,349.62	9,420.01	355.01	77,543.73
	\$ 70,079.27	\$ 252,363.18	\$ 231,522.02	\$ 16,060.02	\$ 16,060.02	\$ 90,920.43

## DEPOSIT OF MONIES

### Finding

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

- *Section 2* of the *Drop-safe Logs* were signed only by the school treasurer without the staff verifier when the treasurer removed the monies from the safe for processing.
- The school's *FY15 End-of-the-Year Checklist* mistakenly instructed staff to submit all the yellow copies of *Monies Collected Reports* (MCRs) and *Official Receipts* to the treasurer. These documents should be submitted to the school secretary as required by District's procedures.

### Recommendation

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

- *Section 2 of the Log* should be completed by the treasurer and the independent staff verifier who accompanied the treasurer to the safe. Both of the staff should jointly confirm that the items listed on the *Log* were removed from the safe by the treasurer for processing.
- 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...*" The school should update its *End-of-Year Checklist* to ensure the instructions are consistent with the District's procedures.

### Management's Response

*Concur. The school secretary will confirm the items listed on the safe log along with the bookkeeper. The end-of-year checklist will be revised to instruct staff to submit the yellow copy of the MCRs & computer receipts to the school secretary. An email sent to all staff members will inform them of the change in handling receipts.*

## LEASING OF SCHOOL FACILITIES

### Finding

The school had one leasing activity (Lease #1001) recorded in the Tririga System during the year. This lease had a total contract amount of \$452.65, but no rental was collected from this lease. According to staff, this lease was cancelled after it was entered into the Tririga System. However, the cancellation was not recorded in the Tririga System. As a result, the Tririga System overstated the school's leasing income by \$452.65.

**Recommendation**

Leasing information should be accurately recorded in the Tririga System; and the information should be updated for contract amendment and cancellation.

***Management's Response***

Concur. Our one staff member who is trained to input leasing into Tririga will be monitored by the principal to insure that all leasing activity is handled correctly.

**Crossroads Academy**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 225 S.W. 12th Street  
 Belle Glade, FL 33430

Principal:  
 Fiscal Year 2015: Diane Howard  
 During Audit: Diane Howard

Treasurer:  
 Fiscal Year 2015: Isabel Garcia  
 During Audit: Isabel Garcia

**Cash and Investments**

Checking	\$ 1,262.02
Investments	
	\$ 1,262.02

	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	0.00	1,793.00	1,793.00	0.00	0.00	0.00
Clubs	188.55	1,626.00	1,670.13	6.16	2.08	148.50
Departments	3.06	0.00	0.00	0.00	3.06	0.00
Trusts	808.73	7,570.56	7,424.09	473.00	473.00	955.20
General	869.62	710.10	1,420.38	130.92	131.94	158.32
	\$ 1,869.96	\$ 11,699.66	\$ 12,307.60	\$ 610.08	\$ 610.08	\$ 1,262.02



## DEPOSIT OF MONIES

### Finding

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

- According to staff, activity sponsors provided the yellow copies of the MCRs to the school treasurer after dropping the monies and the original (white copies) MCRs into the drop-safe. The treasurer would attach the computerized receipts to the yellow copies and submitted them to the school secretary at the year-end.
- All the yellow copies of MCRs for July 31, 2014, through April 20, 2015, were missing.
- Review of the available yellow copies of MCRs revealed that \$260 in Grad Bash collections recorded on two sample MCRs (date April 22, and April 29, 2015) were neither recorded on the *Drop-safe Log* nor deposited into the Internal Funds. Consequently, \$260 in collection was unaccounted for.

### Recommendation

To ensure proper fiscal accountability and as required by *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*,

- Activity sponsors should keep the yellow copy of the MCR, instead of giving it to the school treasurer with the monies they 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 treasurer 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.
- At the year-end, “*Teacher/sponsors should submit their yellow copies of the MCR and computerized receipts to the School Secretary...*” for record retention and future references as required by *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*.

### Management's Response

Concur.

**Delray Full Service Center  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 301 S.W. 14th Avenue  
Delray Beach, FL 33444

Principal:  
Fiscal Year 2015: Jane Bravo Novak  
During Audit: Guarn Sims

Treasurer:  
Fiscal Year 2015: Yolanda Campbell  
During Audit: Brooke Engelhaupt

**Cash and Investments**

Checking	\$ 7,033.55
Investments	
	\$ 7,033.55

	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	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	3,994.06	41,513.95	41,418.34	0.00	2,455.96	1,633.71
General	426.88	2,577.00	60.00	5,175.96	2,720.00	5,399.84
	\$ 4,420.94	\$ 44,090.95	\$ 41,478.34	\$ 5,175.96	\$ 5,175.96	\$ 7,033.55

## 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 types of payments on the MCRs. Specifically, the check numbers for five checks (totaling \$160) were not recorded on the related MCRs (#164-1, #164-5, #170-14, #170-20, and #170-21).

### Recommendation

Money collections should be administered in accordance with *Internal Accounts Manual*, and related District guidelines. Specifically, the payment check numbers should be noted on the "CHECK #" column of the MCR if payments were made by checks.

### Management's Response

*Concur.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that:

- The *Document Custodian Assignment Register* (PBSD 1663) was not maintained.
- Monthly inventory was not performed and *Prenumbered Document Inventory Register* (PBSD 0160) was not maintained for the *School Checks*.

### 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).
- *School Checks* should be inventory-checked monthly and documented on the *Prenumbered Document Inventory Register* (PBSD 0160).

### Management's Response

*Concur.*

**ADULT EDUCATION AND COMMUNITY SCHOOL PROGRAMS**

**Finding**

*Chapter 14 of the Internal Accounts Manual* requires 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. However, the fees collected during November 2014 and January 2015 were not timely transmitted to the Central Office, with delays of seven and 19 days respectively.

**Recommendation**

The school should timely transmit the Adult Education fees to the Central Office in accordance with the District's guidelines.

***Management's Response***

*Concur.*

**Gold Coast Community School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 4260 Westgate Avenue  
West Palm Beach, FL 33409

Principal:  
Fiscal Year 2015: Timothy Abrams  
During Audit: Timothy Abrams

Treasurer:  
Fiscal Year 2015: Blanca Figueroa  
During Audit: Blanca Figueroa

**Cash and Investments**

Checking	\$ 4,505.10
Investments	
	\$ 4,505.10

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 424.79	\$ 776.70	\$ 979.14	\$ 776.70	\$ 776.70	\$ 222.35
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	12.81	0.00	0.00	0.00	0.00	12.81
Departments	193.62	13.00	0.00	0.00	0.00	206.62
Trusts	2,922.71	19,732.10	19,287.92	1,589.38	1,592.64	3,363.63
General	593.78	4,292.66	4,190.01	512.78	509.52	699.69
	\$ 4,147.71	\$ 24,814.46	\$ 24,457.07	\$ 2,878.86	\$ 2,878.86	\$ 4,505.10

## DOCUMENTATION FOR FUNDRAISERS

### **Finding**

The review of fundraising activities found that the fundraiser sponsor for Snack Sales (Account #1-0010.01) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.

### **Recommendation**

To ensure staff is aware of and complying with updated fundraising procedures, fundraiser sponsors should complete the required eLearning Fundraiser Training Course annually prior to conducting fundraising activity.

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

*Concur. All teachers/sponsors who transact business within our school will complete and submit certificates of eLearning fundraising training course as required per bulletin #P16-079/COO dated August 27, 2015 prior to fundraisers.*

## LEASING OF SCHOOL FACILITIES FINDING

### **Finding**

The review of records for leasing of school facilities found that *Lease Agreement* #1004 was not signed by the lessee, witness, and the Principal until four days after the leasehold period began.

### **Recommendation**

To protect the best interest of the School District, *Lease Agreements* should be properly executed with all the required signatures prior to the use of facilities by lessees.

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

*Concur. Lease was in review and principal was out of town. Approval 1012874 was sent to school November 6, 2014 and signed on that date.*

**Indian Ridge School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 1955 Golden Lakes Boulevard  
West Palm Beach, FL 33411

Principal:  
Fiscal Year 2015: Natalie Cromwell  
During Audit: Natalie Cromwell

Treasurer:  
Fiscal Year 2015: Stacey Thallemer  
During Audit: Lilian Jochem

**Cash and Investments**

Checking	\$ 63,806.27
Investments	
	\$ 63,806.27

	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	2,606.69	4,227.77	13,851.47	14,948.86	3,987.77	3,944.08
Clubs	1,931.21	499.50	4,377.45	4,332.17	1,727.43	658.00
Departments	3,307.92	21,609.47	26,236.56	7,121.00	1,922.18	3,879.65
Trusts	96,645.02	22,803.46	50,291.02	14,518.44	33,415.92	50,259.98
General	4,262.15	7,688.20	7,018.62	3,345.53	3,212.70	5,064.56
	\$ 108,752.99	\$ 56,828.40	\$ 101,775.12	\$ 44,266.00	\$ 44,266.00	\$ 63,806.27

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The sponsors for the following three fundraisers did not complete the eLearning Fundraiser Training Course during Fiscal Year 2015: (1) Yearbook Sales, (2) Valentine Day Flower Sales, and Culinary Coupon Books Sales.

### Recommendation

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.

### Management's Response

*Concur. Bookkeeper will verify fundraiser sponsors have taken yearly training before fundraiser is approved. Sponsors will turn in certificates of completion showing they completed the training.*

## PRENUMBERED DOCUMENTS

### Finding

The review of controls in prenumbered documents found that the school did not inventory the *School Checks* and *Drop-safe Logs* monthly. During the year, *School Checks* were inventoried once on September 4, 2014; and *Drop-safe Logs* were inventoried twice on September 4, 2014, and March 31, 2015.

### Recommendation

As indicated on the *Document Custodian Assignment Register (PBSD 1663)*, the District's procedures require that the *School Checks* and *Drop-safe Log* be inventory-checked monthly through the completion of the *Prenumbered Document Inventory Register (PBSD 0160)*.

### Management's Response

*Concur. New bookkeeper will be trained on timely monthly completion of the inventory for school checks and drop safe logs. These inventories will be completed monthly by the Document Custodian.*

## LEASING OF SCHOOL FACILITIES

### Finding

The review of school facility leasing records found that:

- During the year, the school entered into 13 leases with a lessee for the use of school's facilities for the weekend church services. These 13 leases had a total contract price of \$9,660.80. The school's accounting records, however, indicated that only \$4,600 was collected from the lessee. The remaining \$5,060.80 in rentals had not been collected from the lessee as of June 30, 2015.
- 10 *Lease Agreements* were neither approved by the Principal nor signed by the lessees until 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,

- As required by ***School Board Policy 7.18***, 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 \$5,060.80 in unpaid rentals from the lessee.
- 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***

*Concur. All leases will be properly executed with required signatures prior to the use of facilities by lessees. Also, the school will work towards collecting the past due balance. Lessee will pay their new month’s balance in full and a portion of the past due balance every month until they’re current.*

**Palm Beach Virtual School  
Internal Fund Accounts  
Combining Statement of Changes in Cash and Investments – Cash Basis  
Year Ended June 30, 2015**

Address: 7071 Garden Road, Bldg. 2  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2015: Debra Johnson  
During Audit: Debra Johnson

Treasurer:  
Fiscal Year 2015: Aida Sterling  
During Audit: Aida Sterling

**Cash and Investments**

Checking	\$ 1,354.80
Investments	
	\$ 1,354.80

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	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	96.32	0.00	0.00	0.00	96.32	0.00
Departments	0.000	0.00	0.00	0.00	0.00	0.00
Trusts	2.77	3,811.00	3,211.00	0.00	0.00	602.77
General	653.43	215.00	212.72	284.32	188.00	752.03
	\$ 752.52	\$ 4,026.00	\$ 3,423.72	\$ 284.32	\$ 284.32	\$ 1,354.80

## DEPOSIT OF MONIES

### Finding

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

- One page of the *Drop-safe Log* (#12-18761) was missing.
- *Drop-safe Log* was not used to record deposits during July through October 2014. According to the school treasurer, she was not aware of this requirement until October 2014.
- *Section 2* of the *Drop-safe Log* was signed only by the treasurer, without the signature of an independent staff who should accompany the treasurer to remove collections from the safe for processing.
- Some sponsors did not always retain the yellow copies of the MCRs when turning-in the monies to the treasurer for deposit. Instead, the yellow copies were also provided to the treasurer.

### Recommendation

To ensure proper fiscal accountability and as required by *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*,

- 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 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 complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school's accounting system.
- Activity sponsors should keep the yellow copy of the MCR, instead of giving it to the school treasurer with the monies they 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

*Concur. Responsible staff will follow the auditor recommendations. Improved processes also include clear delineation of duties related to Drop safe procedures. Activity sponsors will be directed to retain their copy of the MCR (yellow copies) as related to any monies collected. Verification of agreement of the collected funds and MCR will occur.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser records revealed that the sponsor for the Graduation Ceremony CDs Sales (Account #7-0100.05) did not complete the required eLearning Fundraiser Training Course during Fiscal Year 2015.

### Recommendation

To ensure staff is aware of and complying with the updated fundraising procedures, fundraiser sponsor should complete the required eLearning Fundraiser Training Course prior to conducting fundraising activity.

### Management's Response

*Concur. Responsible staff will follow the Auditor recommendations listed for this item.*

## 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 the *Drop-safe Log* and *School Checks*.

In addition, we noted that the treasurer was the designated custodian for the *Drop-safe Log*, even though she was also involved in the day-to-day use of the *Log*.

### 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 approved by the Principal and recorded on the *Document Custodian Assignment Register* (PBSD 1663). Moreover, the custodian for prenumbered form be someone who is not involved in the day-to-day use of the form.
- *Drop-safe Log* and *School Checks* should be inventory checked monthly and documented on the *Prenumbered Document Inventory Register* (PBSD 0160).

### Management's Response

*Concur. Responsible staff will follow the Auditor recommendations listed above for this item. Enhanced delineation of staff responsibilities now complies with those recommendations.*

**Riviera Beach Preparatory and Achievement Academy**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 7071 Gardens Road  
Riviera Beach, FL 33404

Principal:  
Fiscal Year 2015: Glenda Garrett  
During Audit: Elaine Hubbard Williams

Treasurer:  
Fiscal Year 2015: Princess Pugh  
During Audit: Princess Pugh

**Cash and Investments**

Checking	\$ 36,604.88
Investments	
	\$ 36,604.88

	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	1,563.08	20,048.40	21,519.77	2,612.84	2,612.84	91.71
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	44,201.49	49,445.40	58,453.16	0.00	0.00	35,193.73
General	608.34	83.46	0.00	0.00	0.00	691.80
	\$ 47,000.55	\$ 69,577.26	\$ 79,972.93	\$ 2,612.84	\$ 2,612.84	\$ 36,604.88

## DEPOSIT OF MONIES

### Finding

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

- \$5,962.65 collected through 17 MCRs (#199-1, #199-3, #199-4, #199-5, #199-6, #199-7, #199-8, #199-9, #199-10, #199-11, #199-12, #199-13, #199-14, #199-16, #199-17, #199-18, and #199-19) was not timely processed by the school treasurer until seven to 22 days after the monies were put into the drop-safe by sponsors.
- *Section 3* of the *Drop-safe Logs* was completed and signed by the treasurer, although this section should be completed and signed by an independent staff verifier to confirm that the collections had been posted onto the general ledger by the treasurer.
- A \$130 collection recorded on the *Drop-safe Log* on January 9, 2015, was deleted (crossed-out) without any explanation and confirmation by the sponsor. Another \$200 collection recorded on the *Log* on February 24, 2015, was deleted (crossed-out) with a note indicating “the money did not match the receipt”. This deletion also did not have the sponsor’s confirmation.
- During the audit, we noted that the school treasurer, who is also the school secretary, was receiving and opening incoming mails addressed to her, and preparing the MCRs for monies received through the mail. To ensure proper segregation of duties, these tasks should be assigned to other staff members.
- The school’s *FY15 End-of-the-Year Sign-Out List for Instructional Employees* did not instruct staff to turn-in all the yellow copies of MCRs to the front office. As a result, none of the sponsors submitted the yellow copies of MCRs and the related computerized *Official Receipts* to the front office for record retention and future references.

### 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 potential irregularities.
- To ensure proper fiscal accountability and comply with *Internal Accounts Manual* and *Bulletin #P-14051-S/CFO*, 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. The verifier should also complete *Section 3* of the *Log* after the treasurer entered the deposit information into the school’s accounting system. Deletion/change of entries, if any, on the *Drop-safe Log* should be acknowledged by the responsible staff.

- To (1) ensure fiscal accountability and (2) prevent and detect potential irregularities, segregation of duties should be enforced at the school. 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 providing the collections to the bookkeeper for deposit.
- 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..." The school should consider updating its *End-of-Year Checklist* to remind staff of this requirement. Since the school's treasurer was also the school secretary, those documents should be submitted to another staff member for filing and future references.

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

*Concur. Currently the secretary and the bookkeeper are the same person, therefore we have put new measures in place in accordance with the policies and procedures set forth in the Internal Accounts Manual.*

## **DOCUMENTATION FOR FUNDRAISERS**

### **Finding**

The review of fundraiser records revealed that:

- None of the fundraising sponsors completed the required annual eLearning Fundraiser Training Course during Fiscal Year 2015.
- The Senior Concession Stand (Account #3-2016.01) fundraiser 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 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.
- *Sales Item Inventory Report* should be completed with accurate information for each fundraiser. Accurate information 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. Moreover, the *Sales Item Inventory Report* should be approved by the Principal to confirm the legitimacy for any items that were given-away.

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

*Concur. As the new principal, new measures have been put in place in accordance with the district's policy as outlined in the Internal Accounts Manual.*

## DOCUMENTATION FOR DISBURSEMENTS

### Finding

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

- Disbursement #634 (\$1,613.27) did not have any supporting documentation for the expense. Missing documentation included *Check Requisition* and itemized invoices and receipts.
- Disbursement #641 (\$924.63) was for payment of admission fees to a theme park during the May 2015 Senior Trip. However, this disbursement was supported by an invoice for last year's field trip to the same theme park on May 16, 2014. In addition, this field trip did not have the required *Field Trip/Activity Planning Report and Approval Request Form*.
- Two *Check Requisitions* (#580 for \$500, and #641 for \$924.63) were not approved by the Principal.
- Disbursement #644 (\$1,749) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Supporting documents for eight sample disbursements, totaling \$9,702.07, were not defaced after payments.

### Recommendation

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

- School expenditures should be adequately supported by itemized invoices/receipts. The issuance of school check should be supported by a *Check Requisition* approved by the Principal. Without adequate supporting documentation and proper supervisor approval, 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 avoid potential duplicated payments, supporting documentation should be defaced (stamped "PAID") after payment was made.
- Field trips should be conducted 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. As the new principal, new measures and procedures will be implemented in accordance with the District's policy as indicated in the Internal Account Manual.*



## LEASING OF SCHOOL FACILITIES

### Finding

The school had 15 leasing arrangements recorded in the Tririga System. However, one lease (#1012) was cancelled after the lease information was entered into the system. The remaining 14 leases had a total contract amount of \$69,526.30. The review of these 14 leases found that:

- *Lease Agreements* were not always executed with all the required signatures prior to the commencement of leasing activities.
  - Five leases (#s 1005, 1008, 1009, 1010, and 1011) were not approved by the Principal through the Tririga System until 23 to 281 days after the leasehold periods began.
  - Lease #1005 did not have the date for the lessee's signature. Another three leases (#1008, #1009, and #1013) did not have the dates of the lessees' and witness' signatures.
- Six leases (#s 1001, 1002, 1003, 1004, 1006, and 1015), with a total contract amount \$21,735.80, did not have any leasing documentation. Missing documentation included a hard copy of the *Lease Agreements* and proof of liability insurance. According to staff, these six leases were cancelled after they were entered into the Tririga System.
- Charges for four leases (#s 1014, 1009, 1013, and 1008) were not collected from the lessees until 14, 54, 195, and 232 days respectively after the leasehold periods began.
- Leases #1005 and #1010, with the same lessee, had a total contract amount of \$16,320. However, the school collected only \$11,445 from this lessee during Fiscal Year 2015. The remaining \$4,875 leasing charges had not been collected from the lessee as of June 30, 2015.

### 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 all the required signatures and dates, prior to the use of facilities. 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.
- Leasing information should be accurately recorded in the Tririga System; and the record should be updated with new information such as amendments and changes of 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.*"
- The school should recoup the \$4,875 in unpaid rentals from Leases #1005 and #1010.

### **Management's Response**

*Concur. New measures and procedures will be implemented to ensure that there is compliance in accordance with the policy as stated in the Internal Accounts Manual.*

## **PRENUMBERED DOCUMENTS**

### **Finding**

The review of controls in prenumbered documents found that:

- *Document Custodian Assignment Register (PBSD 1663)* was not maintained.
- *Prenumbered Document Inventory Register (PBSD 0160)* was not maintained for the *Drop-Safe Log* and *school checks*.
- Both *School Checks* and *Drop-safe Logs* (new and used) were maintained by the school treasurer.

### **Recommendation**

As required by *Chapter 27 of the Internal Accounts Manual*,

- 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 proper fiscal accountability through segregation of duties, the custodian for prenumbered form should be someone who is not involved in the day-to-day use of the form. Specifically, the school should assign another staff member, other than the treasurer, as the document custodian for the *Drop-safe Logs* and *School Checks*.
- 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 the *Logs* should use the *Prenumbered Document Inventory Register* (PBSD 0160) to account for the usage and monthly inventory-check of the *Logs*.

### **Management's Response**

*Concur. New measures and procedures have been put in place to ensure appropriate compliance in regards to the District's policy as indicated in the Internal Accounts Manual.*

### **Additional comments:**

*All required staff will received additional training in an effort to improve practices and adherence to District's policy and procedures.*

**Royal Palm School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 6650 Lawrence Road  
Lantana, FL 33462

Principal:  
Fiscal Year 2015: Bradley S.L. Henry  
During Audit: Bradley S.L. Henry

Treasurer:  
Fiscal Year 2015: Kristen Casagni  
During Audit: Kristen Casagni

Afterschool Site Director:  
Fiscal Year 2015: Beverly Meg Davis  
During Audit: Beverly Meg Davis

**Cash and Investments**

Checking	\$ 17,609.55
Investments	
	\$ 17,609.55

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Music	351.85	0.00	0.00	0.00	351.85	0.00
Classes	0.00	1,620.00	1,537.15	0.00	0.00	82.85
Clubs	782.10	1,916.00	1,830.69	1,158.37	1,725.78	300.00
Departments	5,224.16	4,953.31	6,061.81	378.61	955.77	3,538.50
Trusts	8,804.09	28,295.47	28,299.77	102.29	170.77	8,731.31
General	8,896.63	6,408.27	11,912.91	4,490.46	2,925.56	4,956.89
	\$ 24,058.83	\$ 43,193.05	\$ 49,642.33	\$ 6,129.73	\$ 6,129.73	\$ 17,609.55

## LEASING OF SCHOOL FACILITIES

### **Finding**

The review of records for leasing of school facilities found that the leasehold period for *Lease Agreement* #1001 began on August 18, 2014. However, the *Agreement* was not approved by the Principal and signed by the lessee until September 11, and September 19, 2014, respectively; i.e. 24 and 31 days after the leasehold period began.

### **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 the use of facilities by lessees.

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

*Concur. Lease Agreements will be properly executed with all required signatures and dates in order to use facilities.*

### ***Additional Comments***

*Is Tririga the most efficient product for this process?*

**South Intensive Transition School**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 1509 Barton Road  
 Lake Worth, FL 33460

Principal:  
 Fiscal Year 2015: Michael Williams  
 During Audit: Reginald Jeudy

Treasurer:  
 Fiscal Year 2015: Debbie Douglas  
 During Audit: Debbie Douglas

**Cash and Investments**

Checking	\$ 4,806.30
Investments	
	\$ 4,806.30

	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	4,617.67	5,699.98	5,884.68	0.00	0.00	4,432.97
General	781.59	2,825.87	3,234.13	58.47	58.47	373.33
	\$ 5,399.26	\$ 8,525.85	\$ 9,118.81	\$ 58.47	\$ 58.47	\$ 4,806.30

South Intensive Transition School  
Management Letter  
Year Ended June 30, 2015

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, 2015**

Address: 1950 Benoist Farms Road  
West Palm Beach, FL 33411

Principal:  
Fiscal Year 2015: Anthony Allen  
During Audit: Anthony Allen

Treasurer:  
Fiscal Year 2015: Alberta Spann  
During Audit: Alberta Spann

**Cash and Investments**

Checking	\$ 1,824.61
Investments	
	\$ 1,824.61

	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	851.00	6,350.20	6,813.42	0.00	0.00	387.78
General	727.85	4,199.28	3,490.30	1,913.23	1,913.23	1,436.83
	\$ 1,578.85	\$ 10,549.48	\$ 10,303.72	\$ 1,913.23	\$ 1,913.23	\$ 1,824.61

## DEPOSIT OF MONIES

### Finding

The review of money collection process and sample *Monies Collected Reports* (MCRs) at the school revealed that the school's *2014-2015 End of Year Checklist* did not require staff to submit the yellow copies of MCRs and computerized *Official Receipts* to the front office. As a result, none of the staff turn-in the related documents to the front office for filing and future references.

### Recommendation

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...*"

The school should update its *End-of-Year Checklist* to include the instructions for staff to submit the related records to a designated staff member, other than the school treasurer, for record keeping.

### Management's Response

Concur.



**Village Academy on the Art & Sara Jo Kobacker Campus**  
**Internal Fund Accounts**  
**Combining Statement of Changes in Cash and Investments – Cash Basis**  
**Year Ended June 30, 2015**

Address: 400 SW 12th Avenue  
Delray Beach, FL 33444

Principal:  
Fiscal Year 2015: Guarn Sims  
During Audit: Latoya Dixon

Treasurer:  
Fiscal Year 2015: Dawn Girtman  
During Audit: Dawn Girtman

**Cash and Investments**

Checking	\$ 48,953.82
Investments	
	\$ 48,953.82

	Beginning Balances	Receipts	Disbursements	Transfers In	Transfers Out	Ending Balances
Athletics	\$ 240.72	\$ 15,252.25	\$ 27,760.20	\$ 16,796.56	\$ 3,941.48	\$ 587.85
Music	856.50	648.00	1,454.02	0.00	0.00	50.48
Classes	2,652.24	40,190.56	39,230.85	7,955.55	8,724.55	2,842.95
Clubs	1,579.56	6,216.50	3,974.18	5,388.20	3,904.01	5,306.07
Departments	6,824.70	3,789.14	9,562.43	485.02	485.02	1,051.41
Trusts	53,082.00	171,754.36	172,977.71	12,077.35	25,250.75	38,685.25
General	1,445.34	34,401.82	35,020.48	1,616.58	2,013.45	429.81
	\$ 66,681.06	\$ 272,252.63	\$ 289,979.87	\$ 44,319.26	\$ 44,319.26	\$ 48,953.82

## CHANGE FUND

### Finding

The school maintained a total of \$420 in Change Fund during the audit, including \$100 office change fund and \$320 athletic change fund. Our examination of the change funds on March 8, 2016, found that the athletic change fund had only \$232.99 cash. There was no documentation for the \$87.01 (\$320 - \$232.99) in cash shortage. Moreover, the office change fund was kept in the safe while the athletic change fund was kept in a cash box maintained by the athletic director.

### Recommendation

School assets should be properly safeguarded. As required by *Internal Accounts Manual, Chapter 10, Change Funds*, “When not in use, change funds must be secured in the safe.”

### Management’s Response

*Concur. Funds were immediately secured in the safe. Staff has also been retrained on the proper protocol for safely securing change funds. Documentation will be used for the in and out of cash funds as they are requested.*

## DOCUMENTATION FOR FUNDRAISERS

### Finding

The review of fundraiser documentation revealed that:

- None of the fundraising sponsors completed the required annual eLearning Fundraiser Training Course during Fiscal Year 2015.
- The following two fundraisers did not have the required *Fundraising Application/Recap Forms* and *Sales Item Inventory Reports*: (1) Yearbook Sales and (2) Village Academy Uniform Sales.
- The Krispy Kreme Sales did not have the required *Sales Item Inventory Report*. As indicated by the sponsor on the *Fundraiser Application/Recap Form*, total “ACTUAL SALES” was \$2,739. However, the school’s accounting records indicated that only \$1,369.50 in sales revenue was deposited into the Internal Funds, which was \$1,369.50 (\$2,739 - \$1,369.50) less than the total sales reported on the *Fundraiser Application/Recap Form*. Moreover, \$1,330 in cash purchase of merchandizes for this fundraiser was not recorded into the Internal Funds general ledger. Apparent, \$1,330 in cash revenue collected from the fundraiser was directly expended for purchase of fundraising items without going through the Internal Funds Accounting System.

### 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 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. Significant discrepancy between the estimated revenue and actual collection should be investigated and resolved accordingly. Moreover, the *Sales Item Inventory Report* should be approved by the Principal in order to confirm the legitimacy for any items that were given-away.
- Pursuant to *DOE Rules, Section III – 1.4(c)*, “all money collected must be deposited intact to a depository...” Disbursements should be made with school checks and processed through the Internal Funds Accounting System.

#### ***Management’s Response***

*Concur. All staff involved in fundraising will complete ELM training as directed. All fundraisers are now being pre-approved by Principal. Fundraisers will be closed out with the Principal and bookkeeper to ensure the legitimacy of sales inventory reports. Staff will be retrained on deposits and reimbursement.*

### **SEGREGATION OF DUTIES**

#### **Finding**

The school treasurer is responsible for processing (1) *Check Requisitions*, and (2) depositing revenues into the school’s bank account, and (3) maintaining the related accounting records. During the audit, we noted that the treasurer was performing incompatible duties in preparing some *Check Requisitions*, *Monies Collected Reports (MCRs)*, and *Fundraiser Application/Recaps Forms*, instead of having the activity sponsors complete the required paperwork.

#### **Recommendation**

To ensure fiscal accountability and prevent potential irregularities, segregation of duties should be enforced. Specifically, preparation of *Check Requisitions*, MCRs, and *Fundraiser Application/Recap Forms* should be completed and signed by the activity sponsors.

#### ***Management’s Response***

*Concur. The school treasurer is no longer performing incompatible duties. The school treasurer will follow proper policies on segregation of duties.*

### **DOCUMENTATION FOR DISBURSEMENTS**

## Finding

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

- Disbursement #11539 (\$250) was for payment to a consultant for providing entertainment services during the December 17, 2014, students' holiday party. However, the consultant was engaged without the required *School District Consultant Agreements* (PBSD 1420).
- Four *Check Requisitions* (#11237, #11228, #11248 and #11786, totaling \$7,137.70) were not signed by the sponsors to confirm the receipt of goods and services.
- A December 12, 2014, P-Card transaction (\$43.90) did not have any supporting documentation for the expense.
- Disbursement #11554 (\$1,020) exceeded the \$1,000 *Purchase Order* threshold, but did not have the required *Purchase Order*.
- Disbursement #11708 (\$250) was for payment of meal expenses during the April 8, 2015, French Club field trip. 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,

- 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)*.
- School expenditures should be adequately supported by itemized invoices/receipts. Without supporting documentation, there is no assurance that the expenses were appropriate.
- *Check Requisitions* should be signed by the sponsors to confirm the receipt of related goods and services.
- 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.
- Field trips should be conducted 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. Purchasing policies will be reviewed with the school treasurer. Proper documentation will also be reviewed for all purchases made. All purchases will have prior approval from the Principal prior to spending which includes contracts. PO orders, field trips forms, etc.*

## LEASING OF SCHOOL FACILITIES

### Finding

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

- Lease #1008 was for use of facility during December 1 through 17, 2014. However, the *Agreement* was neither signed by the lessee and witness nor approved by the Principal until December 8, 2014, after the lessee had used the facility for six times on six different days.
- The rentals for Leases #1012 and #1008 were not collected until five and 10 days respectively after lessees started using the 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, 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.*”

### Management’s Response

*Concur. All required policies will be followed immediately. All required signatures will be collected at least 48 hours prior to any lease.*

### Additional comments:

*The current school treasurer has been on leave since October 2015. As the new school principal, I have received support from Internal Accounts Services. The school treasurer is expected to return from leave in May. At that time, I will be reviewing corrections with school treasurer. As mentioned retraining has been recommend and is ongoing with staff.*

