

STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

Report No. 2023-188
May 2023

MIAMI-DADE COUNTY DISTRICT SCHOOL BOARD



Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

During the 2021-22 fiscal year, Dr. Jose L. Dotres served as Superintendent of the Miami-Dade County Schools from February 14, 2022, Mr. Alberto M. Carvalho served as Superintendent before that date, and the following individuals served as School Board Members:

	<u>District No.</u>
Dr. Steve Gallon III, Vice Chair	1
Dr. Dorothy Bendross-Mindingall	2
Ms. Lucia Baez-Geller	3
Ms. Perla Tabares Hantman, Chair	4
Ms. Christi Fraga	5
Ms. Maria Teresa "Mari Tere" Rojas	6
Ms. Lubby Navarro	7
Dr. Marta Pérez	8
Ms. Luisa Santos	9

The team leader was Barbara S. Coleman, CPA, and the audit was supervised by Hector J. Quevedo, CPA.

Please address inquiries regarding this report to Edward A. Waller, CPA, Audit Manager, by e-mail at tedwaller@aud.state.fl.us or by telephone at (850) 412-2887.

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MIAMI-DADE COUNTY DISTRICT SCHOOL BOARD

SUMMARY

This operational audit of the Miami-Dade County School District (District) focused on selected District processes and administrative activities and included a follow-up on findings noted in our report No. 2020-203. Our operational audit disclosed the following:

Finding 1: District records did not always demonstrate compliance with statutory requirements for youth mental health awareness and assistance training.

Finding 2: District controls over safe school officer services continue to need improvement.

Finding 3: Contrary to State law, the District did not fully implement the required mobile panic alert system during the 2021-22 fiscal year.

Finding 4: As similarly noted in our report No. 2020-203, the District did not always timely correct deficiencies noted in annual facility inspections.

Finding 5: The District did not timely submit to the Florida Department of Education the student station cost reports for each project completed during the 2021 calendar year.

Finding 6: Eligibility for performance funding was not always supported by District records demonstrating student attainment of industry certifications.

Finding 7: District personnel did not always timely prepare or review and approve bank account reconciliations.

Finding 8: District controls over contracting and monitoring vendor services and related payments could be enhanced.

Finding 9: District IT security controls related to user authentication continue to need improvement.

BACKGROUND

The Miami-Dade County School District (District) is part of the State system of public education under the general direction of the Florida Department of Education and is governed by State law and State Board of Education rules. Geographic boundaries of the District correspond with those of Miami-Dade County. The governing body of the District is the Miami-Dade County District School Board (Board), which is composed of nine elected members. The appointed Superintendent of Schools is the Executive Officer of the Board. During the 2021-22 fiscal year, the District operated 330 elementary, middle, and high schools; 12 virtual and alternative/specialized schools; sponsored 139 charter schools, including 3 virtual charter schools; and reported 341,141 unweighted full-time equivalent students.

FINDINGS AND RECOMMENDATIONS

Finding 1: Mental Health Awareness and Assistance Training

Pursuant to State law,¹ the District received a mental health assistance allocation totaling \$13.3 million for the 2021-22 fiscal year to establish or expand school-based mental health care services and related training. State law² requires the District to designate a school safety specialist to ensure that District school personnel receive youth mental health awareness and assistance training.

Our discussions with District personnel and examination of District records disclosed that the District had designated a school safety specialist; however, District-established procedures did not always ensure that the District complied with the mental health training requirements. Specifically, as of May 2022, 6,763 (37 percent) of the 18,228 District school employees had not completed the required training. In response to our inquiries, District personnel indicated that the training provider limited the number of attendees per session, which ultimately prevented some school employees from completing the training during the 2021-22 fiscal year.

Without the required training, a mental health services need may not be timely identified and appropriately met and, absent documentation evidencing such training for all school personnel, the District cannot demonstrate compliance with State law.

Recommendation: The District should enhance procedures to ensure that all school personnel complete the required youth mental health awareness and assistance training.

Finding 2: Safe-School Officer Services

For the protection and safety of school personnel, property, students, and visitors, State law³ requires the Board and Superintendent to partner with local law enforcement agencies or security agencies to establish or assign one or more safe-school officers, such as school resource officers (SROs), school safety officers (SSOs), and school guardians, at each school facility. SROs and SSOs must be certified law enforcement officers and, among other things, are required to complete mental health crisis intervention training using a curriculum developed by a national organization with expertise in mental health crisis intervention.⁴ School guardians are District employees who, among other things, must satisfactorily complete a 144-hour training program⁵ conducted by a sheriff, who is required to certify that District school guardians completed the required training.

To determine whether, during the 2021-22 fiscal year, safe-school officers at the 330 District schools and 136 District-sponsored charter schools, excluding virtual and alternative/specialized schools, had completed the required training, we requested for examination District records supporting the

¹ Section 1011.62, Florida Statutes.

² Sections 1006.07(6)(a) and 1012.584, Florida Statutes.

³ Section 1006.12, Florida Statutes.

⁴ Section 1006.12(1)(c) and (2)(c), Florida Statutes.

⁵ Pursuant to Section 30.15(1)(k)2.b., Florida Statutes, the 144-hour training program is to consist of 12 hours of certified nationally recognized diversity training and 132 total hours of comprehensive firearm safety and proficiency training conducted by Criminal Justice Standards and Training Commission-certified instructors.

qualifications of the officers at 31 selected District schools and 12 selected charter schools. Our examination disclosed that District or charter school records did not demonstrate verification that:

- 9 SROs, assigned to 8 charter schools and a District school, completed the required mental health crisis intervention training. According to District personnel, local law enforcement agencies typically provide the District documentation supporting completion of SRO training; however, for the 9 SROs, the documentation was not provided due to oversights.
- 4 school guardians, assigned to 4 charter schools, completed the 144-hour training program. Subsequent to our request in July 2022, District personnel obtained sheriff certifications demonstrating that the guardians completed the required training.

Absent effective procedures to ensure and document that SROs and school guardians complete the required training, the District cannot demonstrate compliance with State law or that appropriate measures have been taken to promote student and staff safety. A similar finding was noted in our report No. 2020-203.

Recommendation: The District should continue efforts to demonstrate compliance with State school safety laws. Such efforts should include, before safe-school officer services are rendered, documented verification that SROs completed the required mental health crisis intervention training and that a sheriff certified that school guardians completed the 144-hour training program.

Finding 3: School Safety – Alert System

Beginning with the 2021-22 school year, State law⁶ requires each public school to implement a mobile panic alert system capable of connecting diverse emergency services technologies to ensure real-time coordination between multiple first responder agencies. The system, known as “Alyssa’s Alert,” must integrate with local public safety answering point infrastructure to transmit 911 calls and mobile activations.

Board policies⁷ require the Superintendent, in conjunction with the School Safety Specialist, to develop the District’s Emergency Operations Plan (EOP) to include information regarding the District’s Alyssa’s Alert system. SBE rules⁸ require that the mobile panic alert system include mobile devices placed throughout each school campus, and the District must consider using a combination of fixed panic alert buttons, mobile and desktop applications, landline telephone capabilities, and wearable panic alerts (such as on a lanyard).

The District chose to use only a mobile application for the implementation of the mobile panic alert system and, in July 2021, the Board entered into a \$417,054 agreement with a vendor for the installation and service of a mobile application at the 330 District school facilities. However, we noted that the mobile application was only installed on the school principals’ mobile phones and, in a school principal’s absence, a vice principal or other responsible official had no access to the system. Absent appropriate access to the mobile panic alert system throughout each school campus, the District did not comply with

⁶ Section 1006.07(4) (c), Florida Statutes.

⁷ School Board Policy 8405, *School Safety*.

⁸ SBE Rule 1.0018(8), Florida Administrative Code.

State law and there was an increased risk for multiple first responder agencies to experience difficulty in coordinating efforts during a school security emergency.

In response to our inquiries, District personnel indicated that, to maintain control of the panic alert system while the school sites underwent testing with the local 911 centers, the principals were initially the only school officials with access to the mobile application. District personnel also indicated that, in June 2022, once all District schools successfully tested the mobile panic alert system, the Superintendent and the Police Chief informed school employees of the mobile panic alert system application. Notwithstanding, as of that date, District records did not demonstrate that vice principals and other responsible officials had access to the system.

Recommendation: The District should maintain records to demonstrate that the required mobile panic alert system is properly implemented at each District school to ensure real-time coordination between multiple first responder agencies and documented compliance with State law.

Finding 4: Annual Facilities Inspections

State law⁹ requires the District to provide for periodic inspections of each educational and ancillary plant at least once during each fiscal year to determine compliance with standards of sanitation and casualty safety prescribed in State Board of Education rules. In addition, fire safety inspections are required to be performed annually by persons certified by the Division of State Fire Marshal as being eligible to conduct fire safety inspections in public educational and ancillary plants.

During the 2021-22 fiscal year, the District provided for the required annual inspection of its 388 educational and ancillary plant facility locations. We examined the inspection records for 4 selected school locations and verified that the District performed the required annual inspections for these schools. However, the inspection records for the 4 schools disclosed 147 deficiencies or facility maintenance needs that remained unresolved for 2 or more years. The unresolved deficiencies included, for example, rooms lacking smoke detectors, classrooms with missing or broken handles on emergency windows, unsafe electrical installation on smart boards, and lack of exhaust system on shops or labs where chemicals are used.

In response to our inquiries, District personnel indicated that the lack of staff, the effect of COVID-19, and excessive cost to implement corrective action caused the untimely correction of the deficiencies. District personnel further indicated that the District would address most deficiencies during the 2022-23 fiscal year; however, certain capital deficiencies required more time given the scope, available funds, and complexity of the deficiencies. Timely correction of facility deficiencies is important to reduce risks to the occupants' health and safety and to avoid future additional costs. Similar findings were noted in report Nos. 2020-203 and 2017-196.

Recommendation: The District should improve procedures to ensure the timely correction of deficiencies and facilities maintenance needs identified in annual inspection reports.

⁹ Section 1013.12(2), Florida Statutes.

Finding 5: Student Station Costs

State law¹⁰ requires the FDOE to compute for each calendar year the Statewide average construction costs per student station for each instructional level and to annually review the actual completed construction costs of educational facilities in each school district. To comply with State law, FDOE memorandum¹¹ required the District to complete and submit a report by March 25, 2022, of each project completed during the 2021 calendar year, which identified, for example, the type project (e.g., new or addition), number of student and teacher stations, the size of the project (e.g., gross and net square feet), project cost, and funding source.

During the 2021 calendar year, the District completed four new construction projects totaling \$41.4 million and was required to submit the construction cost reports to the FDOE for the projects. Subsequent to our inquiries, the District reported the required project information to the FDOE on August 31, 2022, or 159 days after the FDOE reporting deadline. District personnel indicated that the late submittal was primarily because they were understaffed. Absent timely reported construction project information, the FDOE's ability to effectively monitor and evaluate Statewide average construction costs per student station for each instructional level is limited.

Recommendation: The District should enhance procedures to ensure that student station cost reports are timely submitted to the FDOE for each new project completed during the calendar year.

Finding 6: Performance Funding for Industry Certifications

State law¹² provides performance funding for industry certifications for school district workforce education programs contingent upon specific appropriation in the General Appropriations Act. General Appropriations Act¹³ proviso language provided funding for workforce education programs for industry certification attained by students during the 2020-21 academic year in certain occupational areas, such as surgical technology, pharmacy, network support services, and aviation mechanics and technicians. The General Appropriations Act proviso language further provided that school districts should maintain documentation for student attainment of industry certifications that are eligible for performance funding and, if a school district is unable to comply, the school district should refund the performance funding to the State.

During the 2021-22 fiscal year, the District received performance funding of \$249,000 for 249 industry certifications reported to the FDOE. As part of our audit, we requested for examination District records supporting 30 selected industry certifications, including surgical technology technician, pharmacy technician, network support services technician, and Federal Aviation Administration (FAA) mechanics and technician certifications. We found that the District received \$4,000 in performance funding for four students who did not attain the industry certifications during the 2020-21 academic year that

¹⁰ Section 1013.64, Florida Statutes.

¹¹ FDOE memorandum, "2021 Cost of Construction Report" dated March 2, 2022.

¹² Section 1011.80(7)(b), Florida Statutes.

¹³ Chapter 2021-36, Laws of Florida, Specific Appropriation 120.

generated that funding. Specifically, for these four students, the District received performance funding that totaled:

- \$3,000 for three students, including two students who attained their FAA aviation maintenance technician certifications during the 2016-17 and the 2018-19 academic years, respectively, and another student who attained his network support service certification during the 2019-20 academic year.
- \$1,000 for another student although District records did not document that the student attained his surgical technology certificate during the 2020-21 academic year.

According to District personnel, these certifications generated 2021-22 fiscal year performance funding mainly because District personnel did not always understand the industry certification reporting requirements and timely report the attainment of industry certifications. Absent effective procedures to document student attainment of industry certifications, the District cannot demonstrate compliance with State law or that four reported industry certifications were eligible for performance funding.

Recommendation: The District should enhance procedures to ensure that only certifications attained during the applicable academic year are reported for performance funding and that documentation is maintained to demonstrate student attainment of industry certifications eligible for performance funding. Such enhanced procedures should include appropriate training for District personnel. In addition, the District should review support for the performance funding received for the 2021-22 fiscal year and refund the FDOE for any funding without documentation of the attainment of industry certifications during the 2021-22 academic year, including the \$4,000 identified in the finding.

Finding 7: Bank Account Reconciliations

State law¹⁴ requires each school district to establish and maintain internal controls designed to, among other things, detect fraud, ensure reliability of financial records and reports, and safeguard assets. Effective internal controls require that reconciliations of bank account balances to general ledger accounts be performed on a timely, routine basis and reviewed by supervisory personnel. Timely performed bank account reconciliations provide for prompt detection and correction of unrecorded and improperly recorded cash transactions or other errors and provide reasonable assurance that assets agree with recorded amounts.

District procedures¹⁵ provide that cash account reconciliations must be prepared monthly and reviewed and approved by supervisory personnel and any discrepancies identified be investigated, documented, and corrected. The District maintained 13 bank accounts during the 2021-22 fiscal year and, at June 30 2022, the general ledger cash in bank balance totaled \$814.7 million. For that fiscal year, certain Controller Office personnel prepared the 156 monthly bank account reconciliations and others in that Office reviewed and approved the reconciliations.

To evaluate the propriety and timeliness of the bank account reconciliations, we examined District records supporting 26 selected bank account reconciliations. While the reconciliations did not disclose any

¹⁴ Section 1010.01(5), Florida Statutes.

¹⁵ *District Bank Reconciliation Procedures Manual*.

significant unreconciled items, we found that the reconciliations were not always timely completed or reviewed and approved. Specifically:

- 4 reconciliations were completed 41 to 53 days, or an average of 45 days, after the bank statement dates.
- 14 reconciliations, including 2 of the untimely completed reconciliations, were not reviewed and approved until 42 to 102 days, or an average of 69 days, after the reconciliations were completed.

In response to our inquiries, District personnel indicated that the District experienced delays in the bank reconciliation process because the reconciliation unit had unfilled positions for 4 to 6 months due to COVID-19 safety precautions and an increasingly competitive job market. In addition, District personnel indicated that District procedures did not specify a time frame for review and approval of the reconciliations. Notwithstanding, bank account reconciliations that are not timely completed and reviewed and approved increase the risk that transaction errors or misappropriations that may occur will not be timely detected and resolved.

Recommendation: District procedures should be enhanced to ensure that District personnel document timely reconciliations of bank account balances to general ledger control accounts and supervisory review and approval of the reconciliations. Such enhancements should establish a reasonable time frame (e.g., monthly) for the reconciliations to be approved.

Finding 8: Procurement Procedures

Effective contract management requires and ensures that records are maintained to demonstrate verification that, prior to payment, contracted services are provided by qualified staff and the payments for the services are based on appropriate contract rates. In addition, State Board of Education (SBE) rules¹⁶ provide that, in lieu of requesting competitive solicitations from three or more sources, the District may make purchases at or below the specified prices from contracts awarded by another governmental entity when the proposer awarded the contract by the other governmental entity permits District purchases at the same terms, conditions, and prices (or below such prices) awarded in the contract, and such purchases are to the economic advantage of the District.

To evaluate the District contracting and procurement processes associated with District vendor payments totaling \$312.7 million during the 2021-22 fiscal year, we requested for examination District records supporting selected payments totaling \$67.8 million made to 59 vendors. We found that the District paid:

- \$1.2 million to a vendor for professional health services in April 2022. The Board-approved contract included a payment schedule detailing rates of \$58 per hour for emergency medical technician (EMT), \$40 per hour for registered nurse supervisor (RNS), and \$38 per hour for registered nurse (RN) services. Our examination of seven selected invoices supporting payments totaling \$518,787 to the vendor disclosed that the invoices identified the names of staff who provided the services, number of hours staff worked, and amount charged each day. District records also included weekly payment deliverable forms that documented vendor staff arrival and departure times each day. However, although we requested, District records were not provided to demonstrate that District personnel verified that services were provided by qualified staff. In addition, based on the records of vendor staff hours worked, we determined that the District was

¹⁶ SBE Rule 6A-1.012(6), Florida Administrative Code.

charged and paid the \$58 per hour EMT rate, although District records did not identify the type of services (i.e., EMT, RNS, or RN) received.

In response to our inquiries, District personnel indicated that the vendor was required to verify the medical credentials of vendor staff prior to providing services. District personnel also indicated that the vendor only employed EMTs and that the \$58 per hour rate paid for EMT services was consistent with the contract terms. However, since the contract also authorized RNS and RN services and District personnel did not verify of record vendor staff qualifications or the type of services received, the District was at risk of receiving services that were not consistent with Board expectations, overpaying for the services, and not timely detecting or recovering any overpayments that occurred.

- \$589,991 to a vendor for the lease of police vehicles. According to District personnel, the District leased the vehicles and paid the vendor based on a city-awarded contract,¹⁷ as permitted by SBE rules. However, police vehicles were not referenced in the city contract. Consequently, contrary to SBE rules, the District did not lease the vehicles at the same terms, conditions, and prices (or below such prices) in the city contract or demonstrate that the purchases were to the economic advantage of the District.

Recommendation: The District should enhance procedures to ensure that, prior to payment, District records demonstrate verification that services are provided by qualified staff and that the amounts billed are at the appropriate hourly rates established in the contract. In addition, when the District makes purchases from contracts awarded by another governmental entity, the purchases should be at the same terms, conditions, and prices (or below such prices) awarded in the contract, and be to the economic advantage of the District.

Finding 9: IT Security Controls – User Authentication

Security controls are intended to protect the confidentiality, integrity, and availability of District data and information technology (IT) resources. Our audit procedures disclosed that certain District security controls related to user authentication need improvement. We are not disclosing specific details of the issues in this report to avoid the possibility of compromising District data and IT resources. However, we have notified appropriate District management of the specific issues.

Without adequate security controls related to user authentication, the risk is increased that the confidentiality, integrity, and availability of District data and IT resources may be compromised. Similar findings relating to user authentication were communicated to District management in connection with our report Nos. 2020-203 and 2017-196.

Recommendation: District management should improve security controls related to user authentication to ensure the continued confidentiality, integrity, and availability of District data and IT resources.

¹⁷ The Board approved use of the city-awarded contract, which provided for monthly lease rates of \$258.02 and \$341.74 for mid-size and full-size sedans, respectively. The District paid monthly lease payments for 46 mid-sized police vehicles at \$543.81 per vehicle, 20 mid-size police vehicles at \$625.99 per vehicle, and 19 full-size police vehicles at \$612.15 per vehicle.

PRIOR AUDIT FOLLOW-UP

The District had taken corrective actions for findings included in our report No. 2020-203 except as noted in Findings 2, 4, and 9 and shown in Table 1.

Table 1
Findings Also Noted in Previous Audit Reports

Finding	2018-19 Fiscal Year	2015-16 Fiscal Year	2012-13 Fiscal Year
	Operational Audit Report No. 2020-203, Finding	Operational Audit Report No. 2017-196, Finding	Operational Audit Report No. 2015-089 Finding
2	1	Not Applicable	Not Applicable
4	2	2	4
9	6	8	15

OBJECTIVES, SCOPE, AND METHODOLOGY

The Auditor General conducts operational audits of governmental entities to provide the Legislature, Florida's citizens, public entity management, and other stakeholders unbiased, timely, and relevant information for use in promoting government accountability and stewardship and improving government operations.

We conducted this operational audit from March 2022 through December 2022 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

This operational audit focused on selected Miami-Dade District School Board (District) processes and administrative activities. For those areas, our audit objectives were to:

- Evaluate management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines.
- Examine internal controls designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and efficient operations, reliability of records and reports, and safeguarding of assets, and identify weaknesses in those controls.
- Determine whether management had taken corrective actions for findings included in our report No. 2020-203.
- Identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

This audit was designed to identify, for those areas included within the scope of the audit, weaknesses in management's internal controls significant to our audit objectives; instances of noncompliance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines; and instances of inefficient or ineffective operational policies, procedures, or practices. The focus of this audit was to

identify problems so that they may be corrected in such a way as to improve government accountability and efficiency and the stewardship of management. Professional judgment has been used in determining significance and audit risk and in selecting the particular transactions, legal compliance matters, records, and controls considered.

As described in more detail below, for those programs, activities, and functions included within the scope of our audit, our audit work included, but was not limited to, communicating to management and those charged with governance the scope, objectives, timing, overall methodology, and reporting of our audit; obtaining an understanding of the program, activity, or function; identifying and evaluating internal controls significant to our audit objectives; exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests, analyses, and other procedures included in the audit methodology; obtaining reasonable assurance of the overall sufficiency and appropriateness of the evidence gathered in support of our audit findings and conclusions; and reporting on the results of the audit as required by governing laws and auditing standards.

Our audit included the selection and examination of transactions and records, as well as events and conditions, occurring during the 2021-22 fiscal year audit period, and selected District actions taken prior and subsequent thereto. Unless otherwise indicated in this report, these records and transactions were not selected with the intent of statistically projecting the results, although we have presented for perspective, where practicable, information concerning relevant population value or size and quantifications relative to the items selected for examination.

An audit by its nature does not include a review of all records and actions of management, staff, and vendors, and as a consequence, cannot be relied upon to identify all instances of noncompliance, fraud, waste, abuse, or inefficiency.

In conducting our audit, we:

- Reviewed applicable laws, rules, Board policies, District procedures, and other guidelines, and interviewed District personnel to obtain an understanding of applicable processes and administrative activities and the related requirements.
- Reviewed District information technology (IT) policies and procedures to determine whether the policies and procedures addressed certain important IT control functions, such as security, systems development and maintenance, network configuration management, system backups, and disaster recovery.
- Evaluated District procedures for maintaining and reviewing employee access to IT data and resources. We examined selected user access privileges to District enterprise resource planning (ERP) system finance and human resources applications to determine the appropriateness and necessity of the access privileges based on employee job duties and user account functions and whether the access privileges prevented the performance of incompatible duties. Specifically, we tested the appropriateness of the access privileges to selected critical ERP system application functions for 30 employees.
- Evaluated District procedures for protecting the sensitive personal information of students, including social security numbers. Specifically, we examined the access privileges of the 26 employees who had access to sensitive personal student information to evaluate the appropriateness and necessity of the access privileges based on the employee's assigned job responsibilities.

- Evaluated Board security policies and District procedures governing the classification, management, and protection of sensitive and confidential information.
- Determined whether the District had a comprehensive IT disaster recovery plan in place that was designed properly, operating effectively, and had been recently tested.
- Examined selected operating system, database, network, and application security settings to determine whether authentication controls were configured and enforced in accordance with IT best practices.
- Determined whether the District had established a comprehensive IT risk assessment to document the District's risk management and assessment processes and security controls intended to protect the confidentiality, integrity, and availability of data and IT resources.
- Evaluated District IT procedures for requesting, testing, approving, and implementing changes to the District finance application.
- Evaluated Board policies and District procedures and examined supporting documentation to determine whether audit logging and monitoring controls were configured in accordance with IT best practices.
- Evaluated the physical access controls at the District data center to determine whether vulnerabilities in the controls existed.
- Determined whether a fire suppression system had been installed in the District data center.
- Inquired whether the District made expenditures or entered into any contracts under the authority granted by a state of emergency, declared or renewed during the audit period.
- Examined Board meeting minutes during the audit period to determine whether Board approval was obtained for policies and procedures in effect during the audit period.
- Examined District records to determine whether the District had developed an anti-fraud policy and procedures to provide guidance to employees for communicating known or suspected fraud to appropriate individuals. Also, we examined District records to determine whether the District had implemented appropriate and sufficient procedures to comply with its anti-fraud policy.
- Analyzed the District's General Fund total unassigned and assigned fund balances at June 30, 2022, to determine whether the total was less than 3 percent of the Fund's revenues, as specified in Section 1011.051, Florida Statutes. We also performed analytical procedures to evaluate the District's ability to make future debt service payments.
- Examined District records to determine whether taxes levied for operational purposes were the result of voter-approved referendums and were based upon reasonable projections of the amount of funds needed to pay required debt service obligations or satisfy debt reserves.
- From the population of expenditures totaling \$162 million and transfers totaling \$417.9 million during the audit period from nonvoted capital outlay tax levy proceeds, Public Education Capital Outlay funds, and other restricted capital project funds, examined documentation supporting selected expenditures and transfers totaling \$2 million and \$182 million, respectively, to determine District compliance with the restrictions imposed on the use of these resources, such as compliance with Section 1011.71(2), Florida Statutes.
- Analyzed Workforce Development funds expenditures totaling \$96.3 million to determine whether the District used the funds for authorized purposes (i.e., not used to support K-12 programs or District K-12 administrative costs).
- From the population of 249 industry certifications eligible for the 2021-22 fiscal year performance funding, examined 30 selected certifications to determine whether the District maintained documentation for student attainment of the industry certifications.

- Examined District records supporting 8,746 reported contact hours for 30 selected students from the population of 2.1 million contact hours reported for 13,929 adult general education instructional students during the Spring 2022 Term to determine whether the District reported the instructional contact hours in accordance with State Board of Education (SBE) Rule 6A-10.0381, Florida Administrative Code.
- From the population of \$4.7 million in postsecondary and adult general education tuition and fees assessed during the audit period, selected 30 students who were charged tuition and fees totaling \$19,685 to determine whether the tuition and fees were approved by the Board, properly assessed, collected, and recorded in the District accounting system.
- Examined District Web site to determine whether the 2021-22 fiscal year proposed, tentative, and official budgets were prominently posted pursuant to Section 1011.035(2), Florida Statutes. In addition, we determined whether the District Web site contained, for each public school within the District and for the District, the required graphical representations of summary financial efficiency data and fiscal trend information for the previous 3 years, and a link to the Web-based fiscal transparency tool developed by the Florida Department of Education (FDOE).
- From the population of 156 bank account reconciliations for the audit period, selected and examined 26 reconciliations and supporting documentation to determine whether the District timely performed and approved the reconciliations.
- Examined District records to determine whether required internal funds audits were timely performed pursuant to Chapter 8 – School Internal Funds, *Financial and Program Cost Accounting and Reporting for Florida Schools* (Red Book) and whether the audit reports were presented to the Board.
- Determined whether District deposits were secured in a qualified public depository, unless exempted by law, as required by Section 280.03, Florida Statutes.
- Determined whether the Board established investment policies and procedures as required by Section 218.415, Florida Statutes, and whether District investments during the audit period complied with those policies and procedures and provided for reconciliation of investment accounts. We also determined whether investment income was properly allocated to the funds that generated the income.
- Examined documentation supporting the District's annual tangible personal property physical inventory process to determine whether the inventory results were reconciled to the property records, appropriate follow-up was made for any missing items, and law enforcement was timely notified for any items that could not be located and considered stolen.
- Evaluated District procedures for identifying, inventorying, and monitoring attractive items, including take-home electronic devices, pursuant to Florida Department of Financial Services Rules Chapter 69I-73, Florida Administrative Code.
- Evaluated severance pay provisions in the four employee contracts to determine whether the provisions complied with Section 215.425(4), Florida Statutes. We also examined District records to determine whether severance payments made during the audit period, if any, complied with State law and Board policies.
- From employee compensation payments totaling \$2 billion to 67,181 employees during the audit period, examined District records supporting compensation payments totaling \$99,405 to 35 selected employees to determine whether the rate of pay complied with the Board-approved salary schedule and whether supervisory personnel reviewed and approved employee reports of time worked.
- Determined whether the appointed Superintendent's compensation for the audit period was in accordance with State law, SBE rules, and Board policies.

- Examined District records supporting teacher salary increase allocation payments totaling \$51.6 million for the audit period to 16,938 instructional personnel to determine whether the District submitted required reports (salary distribution plan and expenditure report) to the FDOE and used the funds in compliance with Section 1011.62(16), Florida Statutes (2021).
- Evaluated the effectiveness of Board policies and District procedures addressing the ethical conduct of instructional personnel and school administrators, including reporting responsibilities related to employee misconduct which affects the health, safety, or welfare of a student, and also the investigation requirements of all reports for alleged misconduct to determine the sufficiency of those policies and procedures to ensure compliance with Section 1001.42(6) and (7)(b)3., Florida Statutes.
- Evaluated District procedures for acquiring health insurance for officers and employees and examined related records to determine whether the District complied with Section 112.08, Florida Statutes.
- From the population of 13 significant construction projects with contracts totaling \$188.5 million and expenditures totaling \$16.5 million during the audit period, selected 6 construction management projects with guaranteed maximum price contracts totaling \$70.5 million and examined documentation for selected project expenditures totaling \$16.4 million to determine compliance with Board policies and District procedures and applicable provisions of State law. Specifically, we examined District records to determine whether:
 - The construction manager was properly selected pursuant to Section 255.103, Florida Statutes.
 - District personnel properly monitored subcontractor selection and licensures.
 - The architects were properly selected pursuant to Section 287.055, Florida Statutes, and adequately insured.
 - Appropriate Board policies and District procedures addressing the negotiation and monitoring of general conditions costs had been established.
 - Documentation supporting the selected payments was sufficient and complied with the contract provisions.
 - The projects progressed as planned consistent with established benchmarks, and were cost effective, and the contractors performed as expected.
- Examined District records for the four construction projects completed during the 2021 calendar year to determine whether the District accurately reported student station costs and complied with the student station cost limits established by Section 1013.64(6)(b)1., Florida Statutes.
- Examined documentation for the most recent annual fire safety, casualty safety, and sanitation inspection reports to determine whether timely action was taken to correct previously cited deficiencies.
- Examined District records to determine whether the Board had adopted appropriate school safety policies and the District implemented procedures to ensure the health, safety, and welfare of students and compliance with Sections 1006.07 and 1006.12, Florida Statutes, and Section 1011.62(13), Florida Statutes (2021).
- Examined District records to determine whether the Board had adopted appropriate mental health awareness policies and the District had implemented procedures to promote the health, safety, and welfare of students and ensure compliance with Section 1012.584, Florida Statutes; Section 1011.62(14), Florida Statutes (2021); and SBE Rule 6A-1.094124, Florida Administrative Code.

- Determined whether the District timely canceled the 41 purchasing cards for the 41 cardholders who separated from District employment during the 2021-22 fiscal year.
- Reviewed Board policies and District procedures related to identifying potential conflicts of interest. For District employees required to file statements of financial interests, we reviewed Florida Department of State, Division of Corporation, records; statements of financial interests; and District records to identify any potential relationships with District vendors that represent a potential conflict of interest.
- Interviewed District personnel and reviewed supporting documentation to evaluate whether the District effectively monitored charter schools.
- For the 3 charter schools that discontinued during the 2021-22 or the 2 preceding fiscal years, evaluated District procedures to determine whether applicable funds and property appropriately reverted to the District and whether the District did not assume debts of the school or center, except as previously agreed upon by the District.
- Evaluated the sufficiency of District procedures to determine whether District charter schools and charter technical career centers were required to be subjected to an expedited review pursuant to Section 1002.345, Florida Statutes. For the two schools and centers subjected to an expedited review, we examined records to determine whether the District timely notified the applicable governing board pursuant to Section 1002.345(1)(b), Florida Statutes, and whether the District, along with the governing board, timely developed and filed a corrective action plan with the FDOE pursuant to Section 1002.345(1)(c), Florida Statutes.
- Examined District records to determine whether the District appropriately distributed local capital improvement funds to applicable charter schools.
- Examined District records to determine whether selected non-compensation expenditures were reasonable, correctly recorded, adequately documented, for a valid District purpose, properly authorized and approved, and in compliance with applicable State laws, SBE rules, contract terms, and Board policies; and applicable vendors were properly selected. Specifically, from the population of non-compensation expenditures totaling \$1.9 billion for the audit period, we examined documentation relating to 30 payments for general expenditures totaling \$73.6 million.
- From the population of District vendor payments totaling \$312.7 million during the audit period, examined bids, proposals, contracts, and other procurement documents supporting selected payments totaling \$67.8 million to evaluate the District competitive selection, contracting, and procurement processes.
- Communicated on an interim basis with applicable officials to ensure the timely resolution of issues involving controls and noncompliance.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish the objectives of the audit.
- Prepared and submitted for management response the findings and recommendations that are included in this report and which describe the matters requiring corrective actions. Management's response is included in this report under the heading **MANAGEMENT'S RESPONSE**.

AUTHORITY

Section 11.45, Florida Statutes, requires that the Auditor General conduct an operational audit of each school district on a periodic basis. Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our operational audit.

A handwritten signature in blue ink that reads "Sherrill F. Norman". The signature is fluid and cursive, with the first name "Sherrill" and last name "Norman" clearly legible, and "F." as a middle initial.

Sherrill F. Norman, CPA
Auditor General

MANAGEMENT'S RESPONSE

Preliminary Tentative Report List of Findings/Management Responses



Miami-Dade County Public Schools

giving our students the world

Superintendent of Schools
Dr. Jose L. Dotres

Miami-Dade County School Board

Mari Tere Rojas, Chair
Danny Espino, Vice Chair
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Dr. Dorothy Bendross-Mindingall
Mary Blanco
Monica Colucci
Dr. Steve Gallon III
Luisa Santos

April 17, 2023

Ms. Sherril F. Norman, CPA
Auditor General
Claude Denson Pepper Building, Suite G74
111 West Madison Street
Tallahassee, Florida 32399-1450

Dear Ms. Norman,

Your preliminary and tentative report outlining the audit findings and recommendations for the Auditor General's 2021-2022 operational audit of the Miami-Dade County District School Board, covering the period until June 30, 2022, has been carefully reviewed by district staff.

As stated in the management's responses, the District generally agrees with these findings. To address the recommendations outlined in this audit report, management has taken corrective measures and ensured their implementation. The following section presents a breakdown of the findings along with their corresponding responses and plans for corrective action.

The suggestions for enhancing our operations' effectiveness and efficiency provided by your team and highlighted in this report are well-received and greatly appreciated. We would like to express our gratitude for the proficient and competent manner in which the audit was carried out.

The task of organizing the actions related to this audit falls under the responsibility of Mr. Jose Bueno, who serves as the Chief of Staff. Should you require more details, you can get in touch with him by dialing 305 995-1450.

Sincerely,

Jose L. Dotres
Superintendent of Schools

JLD:eg
L932

Attachment

cc: General Counsel
Mr. Jon Goodman
Superintendent's Cabinet

School Board Administration Building • 1450 N.E. 2nd Avenue • Miami, Florida 33132
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Preliminary Tentative Report List of Findings/Management Responses

Finding 1: District records did not always demonstrate compliance with statutory requirements for youth mental health awareness and assistance training.

Management's Response:

At the start of the 2022-2023 fiscal year, we enhanced our existing training procedures to ensure that at least 80% of all school personnel be trained in Youth Mental Health First Aid by July 1, 2023, to comply with State guidance. Our District has increased the number of weekly and Saturday training sessions that we offer monthly to allow more opportunities for school personnel to be trained in a setting that is convenient for them. Additionally, we have increased the number of Mental Health District personnel trained through the National Council of Mental Well-Being to assist with the delivery of these ongoing training sessions.

As of April 2023, 2,950 (16 percent) of the 18,228 District school employees have not completed the required training. This significant decrease in the number of school employees not trained indicates that we will be in compliance with state law. In fact, with 84% of the employees having been trained, we have exceeded the 80% minimum percentage required to be in compliance.

Finding 2: District controls over safe school officer services continue to need improvement.

Management's Response:

The District provided a copy of the current Memorandum of Understanding (MOU) with the Miami-Dade Police Department (MDPD) which establishes the use of MDPD officers to assist with supplemental safe-school officer coverage throughout the year and contains the following language: "The purpose of this MOU is to provide the School Board with MDPD sworn personnel to serve as School Based Law Enforcement Officers (SBLEOs), in compliance with school safety requirements, outlined in section 1006.12, Florida Statutes...". MDPD is providing sworn officers who have met the Florida Department of Law Enforcement (FDLE) minimum requirements mentioned above as stipulated in the MOU. FDLE conducts regular audits to ensure agencies are compliant with hiring policies established in section 943.13 F.S. and the FDLE Criminal Justice Standards and Training Commission.

The MOU further states that "Each SBLEO participating in covering schools shall, prior to reporting for duty as SBLEO, provide a copy of his/her Crisis Intervention Training (CIT) certificate to the respective MDPD Off-Duty Coordinator as proof of completion of CIT."

In addition, information is continuously shared with law enforcement agencies to convey the requirements of safe-school officers, including that of completing CIT prior to being able to work at schools. Ahead of the 2022-2023 school year, MDPD Off-Duty Coordinators responsible for coordinating safe-school officer coverage details also received an email from MDPSD informing them that all officers assigned to school details must complete CIT and

Preliminary Tentative Report List of Findings/Management Responses

be able to provide proof of completion upon request. All Chiefs of Police in Miami-Dade County also received correspondence highlighting the statutory requirements affiliated with safe-school officer coverage, including completion of CIT.

In the event the Miami-Dade Schools Police Department (MDSPD) continues to utilize MDPD officers as School Resource Officers (SROs) in traditional schools, MDSPD will request MDPD to upload officer CIT certificates to a shared folder for review annually prior to the opening of schools and/or before rendering services.

Regarding the documentation for charter school SROs, charter schools are independent, autonomous entities that enter into contracts with the District. The District's Office of Charter School Compliance and Support (CSCS) collaborates with the District's School Safety Specialist to provide training and technical assistance to charter schools for compliance with Florida Statute 1006.12. Furthermore, to ensure charter school governing boards and school administrators are aware of the annual requirements and continuous self-monitoring for compliance, annual attestation forms containing pertinent statutory requirements, completed, and signed by the charter school principal and charter school governing board chair, are collected from all charter schools by CSCS bi-annually. In an effort to monitor compliance with safety requirements, each charter school must also provide the District's School Safety Specialist with a safety plan which is reviewed by the School Safety Specialist annually. These safety plans identify the type of safe-school officer selected by the charter school and remind of the associated requirements for each safe-school officer category. In addition, prior to the opening of schools, charter schools will be asked to upload proofs of CIT certification for all school resource officers to a shared folder for review.

Finding 3: Contrary to State law, the District did not fully implement the required mobile panic alert system during the 2021-22 fiscal year.

Management's Response:

The mobile panic alert system application was installed on all school principals' mobile phones in traditional schools during the initial rollout of the system during the 2021-2022 school year. The purpose of rolling out the app to principals was to maintain control of the panic alert buttons while school sites underwent testing with local 911 centers. In June 2022, once all traditional schools successfully tested with the 911 centers, the mobile application was rolled out to all employees via video message from the District Superintendent and the Police Chief informing them about the mobile panic alert system application. At that time, all employees, including Assistant Principals, had access to download, sign up, and use the mobile application. Additional information on the mobile panic alert system was sent out to all school site administrators requiring them to further disseminate the information to all school site staff in June 2022, and again at the beginning of the 2022-2023 school year. Starting in January 2023, District Region personnel began receiving stats on active and non-active user enrollment by school site. This information is continuously updated and shared with school site administrators to assess and increase enrollment in schools.

Preliminary Tentative Report List of Findings/Management Responses

Finding 4: As similarly noted in our report No. 2020-203, the District did not always timely correct deficiencies noted in annual facility inspections.

Management's Response:

In response to the Annual Facilities Inspections Audit, the Auditor General identified four schools and reviewed the Safety to Life Inspection Reports for these sites. The reports included the following 147 unresolved deficiencies categorized as either "Operational," "Maintenance" or "Capital" in nature:

School Site	Location Number	Unresolved Deficiencies Identified by Auditor General
American Senior	7011	98
Avocado Elementary	0161	14
Kensington Park	2661	19
Barbara Goleman Senior	7751	16
Grand Total		147

At this time, all the Operational and Maintenance deficiencies have been corrected. The remaining 19 Capital deficiencies will be recorded in the District's master facilities database (Magellan Assessment and Project Planning System or MAPPS) to be addressed in upcoming capital projects at the respective schools.

Capital deficiencies generally require more time to address because of scope generation, plan reviews, available funds, and scheduling. In some cases, particularly with older buildings, the prescriptive corrective action provided by the inspector may not be feasible or cost-effective.

It should be noted that due to the pandemic the district has experienced both a diminishing workforce and supply chain issues. This combined with aging buildings presents a major challenge for staff when addressing inspection deficiencies. Nonetheless, district staff remains committed to correcting deficiencies in a timely manner.

It is the District's goal to reduce the deficiency total to the lowest number possible; however, it is reasonable to anticipate inspectors always finding deficiencies during their annual inspections.

Finding 5: The District did not timely submit to the Florida Department of Education the student station cost reports for each project completed during the 2021 calendar year.

Preliminary Tentative Report List of Findings/Management Responses

Management's Response:

Student station cost reports for 4 schools were submitted after the required submittal date due to their completion date not being reflected in the Districts' projects tracking system. The Office of Facilities has been impacted by staffing issues for the last couple of years due to the current construction market. Governmental entities such as Miami Dade Public Schools are having a difficult time competing to hire facilities staff when the private sector is so lucrative. Nonetheless, staff is also in the process of establishing parameters that will inform key individuals of the deadline so that all major construction projects are reported within the required deadline. Please note that the late reporting did not affect these projects in any way.

Finding 6: Eligibility for performance funding was not always supported by District records demonstrating student attainment of industry certifications.

Management's Response:

District management will implement processes to ensure that school site staff select the appropriate industry certification/licensure in the Student Management Information System (SMIS). To that end, the SMIS will require that documents demonstrating proof of industry attainment are uploaded into the system. Moreover, an SMIS report will be created that identifies any entry that does not have corresponding documentation. The principal or his/her designee will run this report bi-weekly to enhance accountability and accuracy. Lastly, professional development will be provided by district staff to ensure that school site staff, including registrars, clerical staff, and school administration, understand the documentation and recordkeeping process. The postsecondary district director overseeing compliance will conduct visitations to assess the proper implementation of these processes.

Finding 7: District personnel did not always timely prepare or review and approve bank account reconciliations.

Management's Response:

During the fiscal year ending on June 30, 2022, Miami-Dade County Public Schools (M-DCPS) experienced vacancies in the two positions that comprise the District's bank reconciliation unit. The Staff Specialist position responsible for reconciling bank accounts was vacant for four months, and the Executive Director position responsible for reviewing the bank reconciliations was vacant for six months.

After the pandemic, the job market and salaries have been increasingly competitive, especially for positions in the financial sector. Being a government agency, M-DCPS is not afforded the same flexibility as in the private sector, making it more difficult to recruit qualified

Preliminary Tentative Report List of Findings/Management Responses

candidates. This, coupled with ongoing Covid health concerns and safety precautions, contributed to lengthier timelines in filling vacant positions.

The District's bank reconciliation manual states that the reconciliations are to be prepared monthly by the staff specialist, and although it is our practice to perform the supervisory review of completed bank reconciliations as promptly as possible, the procedures manual does not stipulate a timeframe for the review. The reconciliations and supervisory review of the completed bank reconciliations were performed for all bank accounts by the fiscal year end-closing of 2022.

Currently, the Bank Reconciliation Unit is fully staffed and is meeting the timelines in accordance with the District's policy. The District's procedure manual has been revised to include a supervisory review to be completed within one month of the completion of the reconciliations.

Finding 8: District controls over contracting and monitoring vendor services and related payments could be enhanced.

Management's Response:

As previously mentioned in the professional health services contracts, the department had a master spreadsheet reflecting license types, names of individuals, expiration dates, and school assignments which allowed them to approve invoices for services rendered in accordance with the contract rates, terms, and conditions.

Given the nature of the commodity, the contract allowed the ability to procure based on fluctuations in market conditions. Regarding the solicitation from the City of Lake City for vehicles, the solicitation provided language to replace vehicles with pricing applicable at the time of ordering.

The District will enhance procedures to demonstrate, prior to payment, that purchases from contracts awarded by another governmental entity are consistent with contract terms, conditions, and prices and to the economic advantage of the District.

Finding 9: District IT security controls related to user authentication continue to need improvement.

Management's Response:

Due to the confidential nature of this finding, details regarding current security controls along with planned and in-progress mitigation strategies are not included in this response. M-DCPS has continued efforts to align user authentication controls to standards outlined in National Institute of Standards and Technology (NIST) Special Publication 800-63B, "Digital Identity Guidelines." The District is committed to ensuring the availability and integrity of M-DCPS-managed network resources; substantial enhancements have been made to the user authentication process, with additional controls planned or in progress.