

**INTERNAL AUDIT REPORT**

**Property and Inventory Audits of Selected Locations  
2016- 2017**



**To be presented to the:**

**Audit Committee on  
November 17, 2016**

**and**

**The School Board of Broward County, Florida  
on December 20, 2016**

**By**

**The Office of the Chief Auditor**



## **The School Board of Broward County, Florida**

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*Superintendent of Schools*

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**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**

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Office of the Chief Auditor  
Patrick Reilly, Chief Auditor  
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**The School Board of  
Broward County, Florida**

Dr. Rosalind Osgood, Chair  
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Robert W. Runcie  
Superintendent of Schools

November 10, 2016

Members of The School Board of Broward County, Florida  
Members of The School Board Audit Committee  
Robert W. Runcie, Superintendent of Schools

Ladies and Gentlemen:

We have performed a Review of the Property and Inventory of selected locations, pursuant to The Rules of the Florida Administrative Code, Section 69I-73, and School Board Policy 1002.1.

Audits of Property and Inventory require that we account for all of the Property and Inventory charged to the locations. In order to complete this task, we have reviewed all property and inventory records disclosed from District accounts and made a determination as to the status of each item. This disposition may include:

- items which are at the location and are accounted for,
- items which were not available for review prior to the issuance of this report,
- items which may have been stolen and are supported by the proper District forms,
- items that have been transferred from one location to another and are supported by the proper District forms, and
- items which have been declared surplus or obsolete and are supported by the proper District forms.

We conducted our audits in accordance with generally accepted Government Accounting Standards issued by the Comptroller of the United States.

This report contains eight (8) property and inventory audits. Our property audits indicated that five (5) locations in the report complied with prescribed policies and procedures. There were three (3) locations that contained some audit exceptions consisting of unaccounted for property and the failure to follow some prescribed rules.

We wish to express our appreciation to the administration and staff of the various schools and departments for their cooperation and courtesies extended during our audits.

Sincerely,

Patrick Reilly, CPA  
Chief Auditor

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# PROPERTY AUDIT REPORT

## AUTHORIZATION

The Rules of the Florida Administrative Code, Section 69I-73, require that each custodian shall ensure that a complete physical inventory of all property is taken at least once each fiscal year. Each custodian shall ensure that a complete physical inventory of all property under the control of the custodian or custodian's delegate is taken whenever there is a change of custodian or custodian's delegate. In accordance with School Board Policy 1002.1 and the Audit Plan for The Office of the Chief Auditor, the inventories of the locations in the District that have been audited are presented in Section I of this report. School Board Policy 3204 – Property Accountability and Responsibility states, “The Board designates that Principals shall be the custodians of property at schools. Directors shall be the custodians of property for the County Support Services Departments.” Rule 1 states “**All physical inventories shall be conducted by the Office of the Chief Auditor’s Property Audits Division.**”

## SCOPE, OBJECTIVES AND METHODOLOGY

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures represented on property records. We have reviewed all property and inventory records disclosed from District accounts and made a determination as to the status of each of the items. This disposition may include:

- items which are at the location and are accounted for,
- items which were not available for review prior to the issuance of this report,
- items which may have been stolen and are supported by the proper documentation and District forms,
- items that have been transferred from one location to another and are supported by the proper District forms,
- items which have been declared surplus or obsolete and are supported by the proper District forms.

## Compliance

We tested compliance with policies and procedures prescribed by the School Board Policies and Business Practice Bulletin 0-100 Procedure for Property & Inventory Control. The results of our tests of compliance indicated some locations did not comply with some policies and procedures established in the sources identified above. Noncompliance items are reported in **Section I**, **Section II** and **Section IV** of this report.

## Property Control Structure

In planning and performing our examinations, we obtain an understanding of the:

- internal property control structure established by the administration.
- assessed level of controlled risk to determine the nature, timing, and extent of substantive tests for compliance with applicable laws, administrative rules and district policies; including the safeguarding of assets.

A material weakness is a reportable condition in which the design or operation of one or more internal property control structure elements does not reduce the risk of material errors or irregularities from occurring. As a result, it would be extremely difficult for employees to recognize errors in the normal course of performing their assigned functions. Reportable internal control weaknesses are noted in **Section I**, **Section II** and **Section IV** of this internal property audit report.

Our evaluation of the internal control structure does not necessarily disclose all matters that might be reportable conditions. Thus, all material weaknesses may not be identified.

## Property Audit Exceptions

In order to establish reporting parameters and afford the locations some latitude in monitoring their assets, we set thresholds of approximately one (1) percent of the total property inventory historical cost. The District does not track depreciation for each capital asset. The Office of the Chief Auditor (OCA) has used the following table, provided by the Director of Accounting & Financial Reporting Department-Capital Assets (AFRD-CA), to determine the total accumulated depreciation of assets which have not been accounted for.

• Computers, Printers	5 Years
• Band Instruments	7 Years
• Office Equipment	5 – 20 Years
• Audio/Visual Equipment	6 – 8 Years
• Vocational Equipment	7 – 20 Years
• Other	From 5 to 20 Years

The Office of the Chief Auditor reports no property exceptions for locations with an aggregate historical value, of items unaccounted for, falling below the designated 1% threshold unless significant process control weaknesses have been identified. As of July 1, 2004, Florida State Statute 274.02, changed the value of capital assets to be recorded and monitored from \$750 to \$1,000. On April 23, 2015, the Office of the Chief Financial Officer released a revision to Business Practice Bulletin O-100 Procedures for Property & Inventory Control. The revision included tracking SMART (**S**afety, **M**usic, **A**rt, Athletics, **R**enovations and **T**echnology) tangible personal property regardless of cost (included but not limited to musical instruments, iPads, tablets, desktops, printers, and promethean boards). The District administration requires follow-up verification of all items not accounted for during the physical audit with a historical cost of \$1,000 or more. Subsequently, location administrators must designate the location of recovered individual assets by room/fish number or demonstrate activity on the appropriate District approved forms.

## Unaccounted / Found Items

While conducting the audit, there are instances in which items are determined to be unaccounted for. When the Office of the Chief Auditor determines that the item(s) is not accounted for, the asset is moved to a Missing List. This item will remain designated on the Missing List until the item is located and reactivated by Accounting & Financial Reporting Department-Capital Assets (AFRD-CA). If the item is not reactivated after two years, the item(s) is removed from the location's active list of property records.

In addition to having items which are not accounted for, the Office of the Chief Auditor issues a final audit report to the property custodian, identifying the final discrepancy list as well as outlining any material weaknesses associated with the location's inventory control. A copy of the final discrepancy report will be forwarded to AFRD in order to amend the property records as deemed appropriate. For any new/found tangible personal property listed on the final audit discrepancy report with a historical cost/estimated value of \$1,000 or more, the location must forward a **03290** Equipment Acquisition form signed by the property custodian with invoices or supported estimated values authorizing AFRD to add these property items to the Master File of Capital Assets database.

### **Summary of Property and Inventory Review for Fiscal Year 2016-17**

The following report discloses the audits for 7 schools and 1 department. These audits were finalized between October 13, 2016, through November 10, 2016. A summary of this report notes that:

- For the 8 locations, 6,844 items were listed in the property records at a historical cost of \$16,934,887.
- For the 8 locations included in this report, a total of 92 items could not be accounted for with a historical cost of \$168,686.

**SECTION I: Summary**  
**Property and Inventory Audits Performed**



**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**The Office of the Chief Auditor**  
**Property Audits**

The following table presents a summary of the property and inventory audits that were finalized during the period October 13, 2016, through November 10, 2016. For any location that received an exception, we have included a detailed listing of the items that were unaccounted for and the administration's response.

Area	Name	Total Items	Historical Cost	Items Not Accounted For (INAF)	Historical Cost (INAF)	No Exception/ Exception	Page No.
Department	Physical Plant Operation	<u>Equipment</u> 1,132	\$1,861,169	30	\$80,209	Exception	Pgs. 7 – 15
		<u>Vehicles</u> 401	\$9,236,992	0	0	No Exception	
School	Castle Hill Elementary	654	\$619,838	41	\$54,416	Exception	Pgs. 16 – 29
School	Dania Elementary	815	\$509,418	3	\$3,292	No Exception	
School	Palmview Elementary	1,102	\$878,619	4	\$3,732	No Exception	
School	Pasadena Lakes Elementary	239	\$321,996	1	\$1,396	No Exception	
School	Driftwood Middle	778	\$1,019,161	12	\$24,164	Exception	Pgs. 30 – 39
School	Indian Ridge Middle	1,455	\$2,034,216	0	0	No Exception	
School	Endeavour Primary Learning Center	268	\$453,478	1	\$1,477	No Exception	
<b>GRAND TOTAL</b>		<b>6,844</b>	<b>\$16,934,887</b>	<b>92</b>	<b>\$168,686</b>	<b>3 Exceptions 6 No Exceptions</b>	

**Audits Performed by:**  
**Bryan Erhard**  
**Ivette Lima**  
**Bruce Norris**  
**Stephanie Ormsby**

**Audits Processed by:**  
**Megan Gonzalez**

**Audits Managed by:**  
**Ali Arcese**

**SECTION II: Summary**  
**SMART Property and Inventory Audits Performed**

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**The Office of the Chief Auditor**  
**Property Audits**

The following table presents a summary of SMART (Safety, Music, Art, Athletics, Renovations and Technology) property and inventory audits that were finalized during the period October 13, 2016 through November 10, 2016. The SMART property and inventory equipment is included within Section I: Summary of Property and Inventory Audits Performed. The Office of the Chief Auditor (OCA) verified that all SMART computer devices were accounted for during the physical inventory (see below). This chart provides a more detailed snapshot of SMART equipment either accounted for or unaccounted for during this audit period.

School/Site Name	SMART Computer Devices*		SMART Computer Devices Accounted For by OCA			SMART Computer Devices Unaccounted For by OCA			
	Ordered*	Received*	Teacher	Student	Other	Teacher	Student	Other	Total
Castle Hill Elementary	371	371	0	368	3	0	0	0	371
Dania Elementary	365	365	48	308	9	0	0	0	365
Palmview Elementary	599	599	12	578	9	0	0	0	599

\* Source: Bond Oversight Committee SMART Technology Quarter Update as of 09/30/2016

**SECTION III:**  
**Locations – All Items Accounted for**

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**The Office of the Chief Auditor**  
**Property Audits**

During the property audit at the following locations, all assets were reconciled.

**LOCATION NAME**

**Indian Ridge Middle School**

**Physical Plant Operations - Vehicles**

**SECTION IV:**  
**Locations with Exceptions**

**Department: Physical Plant Operations (Equipment)**

**9604 District**

**9607 Facilities Support Services**

**9610 Zone 1**

**9620 Zone 2**

**9630 Zone 3**

**Director: Sam Bays**

**Address: 3810 NW 10 Avenue  
Fort Lauderdale, FL 33309**

Total Number of Items in Inventory:	1,132
Total Dollar Cost of Items in Inventory:	\$ 1,861,169
Total Number of Items Unaccounted for:	30
Total Dollar Cost of Items Unaccounted for:	\$80,209
Total Net Value of Items Unaccounted for:	\$11,237
Percentage of Dollar Cost of Items Unaccounted for:	4.3%

### **Findings**

As a result of the property and inventory audit, it was determined that some controls over inventory and fixed assets did not meet the District's policies and procedures.

During the property and inventory audit, 30 of 1,132 items entrusted to the department were unaccounted for. According to the Director and his support staff, 21 of the 30 unaccounted for pieces of equipment are missing. In addition, three GMAX paint sprayers were acquired in error by the department after the last audit and they are now considered unaccounted for.

Several burglaries were reported to local authorities since the last property audit was completed at Physical Plant Operations. It was noted, in the multiple police reports provided by the department during the audit, that serial numbers were omitted from the report and/or incorrect serial numbers were referenced on the reports. The lack of referencing serial numbers (correctly) on a police report decreases the possibilities of recovering the equipment if found by local authorities in the future.

## **(Physical Plant Operations continued)**

As part of the District's policies and procedures, the department must provide serial numbers for the stolen tangible personal property along with a narrative of the event. Four pieces of equipment remain unaccounted for because procedures were not followed.

According to the Director, a chiller tube cleaning system was cannibalized after being declared "beyond economical repair." The cleaning system was disassembled and used to repair other chiller tube cleaning systems. Although the equipment was declared "beyond economical repair", a 3290A Surplus Declaration Transfer form was not completed by the department to salvage the equipment before disassembling it to repair the other equipment. The cannibalized piece of equipment remains unaccounted for as the OCA is unable to verify it.

During the audit of the multiple PPO zones/locations, 145 pieces of equipment were located at zones/locations that did not match the Master File's assigned location for those records. According to Business Practice Bulletin O-100: Section B Transferring Tangible Personal Property, when a location is permanently transferring tangible personal property to another location, the property custodian is required to execute a 3290A Surplus Declaration Transfer form.

Internal controls for tracking and safeguarding assets should be strengthened, including but not limited to ensuring property passes are completed in compliance with policies and procedures, tracking equipment including high-risk items and correcting serial number discrepancies when discovered during the semi-annual property and inventory audits conducted by the department. Records were not provided by the department to confirm that semi-annual property and inventory audits were being conducted. Non-compliance with policies and procedures for fixed assets leaves the District vulnerable to undetected employee errors and theft or misuse of assets. The department displayed weaknesses in the controls to safeguard fixed assets.

### **Recommendations**

The Office of the Chief Auditor suggests reconciliation of all assets be completed as often as needed to ensure an accurate physical accounting of site designated assets by the staff. The Director should ensure the accounting of assets is completed semi-annually in order to comply with policies and procedures.

The Office of the Chief Auditor recommends the Director register the designated property team member(s) for the Inventory Process & Tips training offered by the



### **(Physical Plant Operations continued)**

Information & Technology Department. In addition, the Director should review Business Practice Bulletin O-100: Procedure for Property and Inventory Control with the designated property team member(s) to ensure compliance with all procedures. The following internal control areas require improvement.

- The locations must take appropriate measures to ensure the safekeeping of all tangible personal property.
- At a minimum, semi-annual inventories should be conducted to ensure the District's property records are accurately maintained and updated. This includes the high-risk property items maintained within the secondary database established by the location.
- The location should improve its processes for completing the 3290A Surplus Declaration Transfer forms after tangible personal property has been recognized as salvageable equipment.
- A property pass must be executed to document the assignment and removal of equipment from the primary operational site.
- Policies and procedures for reporting theft or vandalism of fixed assets should be provided to all staff members who are assigned equipment that is temporarily removed from the primary operational site to ensure that everyone is aware of the expectations for safeguarding as well as the reporting requirement for District assets in the future.
- Any corrections required to asset record(s) should be promptly reported to AFRD-CA. If the tangible personal property has not been received at the location, and the asset records were mistakenly created for this location, the property custodian should immediately notify AFRD-CA to correct the discrepancy in a timely manner.
- When transferring tangible personal property to a different location, the proper documentation should be executed and completed. Transfer documentation that is greater than 90 days old will not be accepted during the property audit of tangible personal property.

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**The Office of the Chief Auditor**  
**Property Division**  
**2016-17**

**Items not accounted for: Physical Plant Operations 9604**

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST	
1	A11-81548	PRESSURE SPRAYER, PRESSURE PRO	\$ 2,409.00
2	A11-81547	PRESSURE SPRAYER, PRESSURE PRO	\$ 2,409.00
3	A08-83729	PAINT SPRAYER GMAX 5900	\$ 3,200.00
4	07-12861	SUPPLY HVAC EQUIPMENT	\$ 2,820.00
5	07-12860	SUPPLY HVAC EQUIPMENT	\$ 2,820.00
6	07-11851	AC SPOT COOLER	\$ 2,820.00
7	07-11867	AC SPOT COOLER	\$ 2,820.00
8	07-11871	AC SPOT COOLER	\$ 2,820.00
9	07-11873	AC SPOT COOLER	\$ 2,820.00
10	07-11885	AC SPOT COOLER	\$ 2,820.00
11	07-11898	AC SPOT COOLER	\$ 2,820.00
12	R07-83936	SPRAYER, GRAYCO GMAX 11 5900	\$ 3,269.00
13	R07-83938	SPRAYER, GRAYCO GMAX 11 5900	\$ 3,269.00
14	07-03888	IMAGER, THERMAL INDUSTRIAL	\$ 9,085.50
15	A07-84037	MACHINE, RIGID K60SPSE	\$ 1,804.00
16	A06-10083	RADIO, MOTOROLA XTS 2500	\$ 1,963.50
17	A05-86933	COMPUTER, DELL	\$ 1,800.00
18	A05-35625	RADIO, MOTOROLA XTS 2500	\$ 1,963.00
19	A03-20212	RADIO, MOTOROLA MTS 2000	\$ 1,749.06
20	A03-20242	RADIO, MOTOROLA MTS 2000	\$ 1,749.06
21	03-05296	SYSTEM, CHILLER TUBE CLEANING	\$ 3,397.00
22	A98-80458	RADIO, MOTOROLA MTS 2000	\$ 2,606.80
23	A96-86014	RADIO, MOTOROLA MTS 2000	\$ 2,557.00
24	A96-86015	RADIO, MOTOROLA MTX 2000	\$ 2,557.00
25	A96-86016	RADIO, MOTOROLA MTX 2000	\$ 2,557.00
26	96-26708	RADIO, MOTOROLA MTS 2000	\$ 2,557.00

**Items not accounted for: Physical Plant Operations 9607**

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST	
27	07-28535	COMPUTER, DELL LAPTOP D620	\$ 1,624.00
28	05-34143	COMPUTER, DELL LAPTOP PM	\$ 2,503.00

*[1] Based upon class life used by the Accounting and Financial Reporting Department*

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**The Office of the Chief Auditor**  
**Property Division**  
**2016-17**

**Items not accounted for: Physical Plant Operations 9610**

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
29 02-80511	MACHINE, RIDGID K60SP-SE	\$ 1,179.37

**Items not accounted for: Physical Plant Operations 9630**

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
30 07-28821	COMPUTER, DELL LAPTOP D520	\$ 1,441.00

Total Historical Cost of Property unaccounted for as of October 13, 2016	\$ 80,209.29
[1]Total Accumulated Depreciation as of October 13, 2016	\$ 68,972.50
Net Value of Property considered to be unaccounted for as of October 13, 2016	\$ 11,236.79

*[1] Based upon class life used by the Accounting and Financial Reporting Department*

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
OFFICE OF THE CHIEF FACILITIES OFFICER**

**Leo Bobadilla  
Chief Facilities Officer**

November 1, 2016

TO: Patrick Reilly, Chief Auditor  
Office of the Chief Auditor

FROM: Leo Bobadilla  
Chief Facilities Officer



SUBJECT: **PROPERTY AND INVENTORY AUDIT RESPONSE – FISCAL YEAR  
2016-17 PHYSICAL PLANT OPERATIONS (PPO)**

Through this correspondence, we acknowledge receipt and review of the findings from the FY 2016-17 property and inventory audit for the Physical Plant Operations Department (PPO). In addition, we acknowledge receipt of management responses from the department.

The director of PPO, recognizes the findings and has been instructed to ensure that all staff follows through with the corrective actions as proposed by the department.

LB:as  
Attachment

cc: Sam R. Bays, Director, Physical Plant Operations Division  
Ali Arcese, Manager, Property & Inventory Audits  
Meredith Filcman, Manager, Operational Audits

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
PHYSICAL PLANT OPERATIONS DIVISION**

**Sam R. Bays  
Director**

**Telephone: 754-321-4634**

**Facsimile: 754-321-4675**

November 1, 2016

Signature on File

**TO:** Leo Bobadilla, Chief Facilities Officer

**FROM:** Sam R. Bays, Director

**SUBJECT: AUDIT REPORT ON PROPERTY INVENTORY, FISCAL YEAR 2016-17  
MANAGEMENT'S RESPONSE**

This is to inform you that the Office of the Chief Auditor conducted the 2016-17 Fiscal Year Audit on Property Inventory with the following summarized findings:

**SUMMARY:**

1. PPO's controls over inventory and fixed assets did not meet the District's policies and procedures.
  - a. FINDING: No evidence found of semi-annual property and inventory audits, and there are findings of loss or unaccounted pieces of equipment.
    1. The property and inventory audit identified that of 1,132 items, 30 were unaccounted, and 21 of the 30 are missing with a dollar cost of \$80,209 and net value of \$11,237.
    2. Records were not provided by the department to confirm that semi-annual property and inventory audits are conducted.
  - b. FINDING: Processes are not being followed per policies and procedures.
    1. Several burglaries were reported to local authorities and the reports did not include the equipment serial numbers, decreasing the possibilities of recovery should the equipment be found. Four pieces of equipment remain unaccounted for.
    2. Equipment designated as 'beyond economical repair' was not processed per policies and processes (3290A Surplus Declaration Transfer Form not completed) and thus remains unaccounted for.
    3. 145 pieces of equipment were found at locations that did not match the recorded Master File assigned location.

**CORRECTIVE ACTIONS:**

1. **"The Office of the Chief Auditor suggests reconciliation of all assets be completed as often as needed to ensure an accurate physical accounting of site designated assets by the staff. The Principal should ensure the accounting of assets is completed semi-annually in order to comply with policies and procedures."**

Response: PPO is committed to a goal of zero missing assets for the next Property Inventory audit of 2017-18.

- a. Processes will be revised to ensure that internal audits will be conducted in PPO at least semi-annually. Action: Management reviewed the Business Practice Bulletin O-100.
  - b. PPO will revise all standard operating procedures for policies and processes that involve inventory items, to ensure that all documentation by the department provides the serial numbers of equipment. Management is accountable for reviewing documentation for accuracy.
  - c. Continuous training will be provided to all staff identified in the process and designated to interface with inventory management responsibilities, including property custodian(s). Action: Inventory Process & Tips Training assigned and received by staff.
  - d. Training will be provided at minimum on the following:
    - i. 3290A Surplus Declaration Transfer Form
    - ii. Filing police reports for stolen items
    - iii. Business Practice Bulletin O-100: Section B, Transferring Tangible Personal Property
    - iv. All procedures regarding inventory management of equipment and parts in PPO
- 2. The Office of the Chief Auditor recommends the Principal register the designated property team member(s) for the Inventory Process & Tips training offered by the Information & Technology Department. In addition, the Principal should review Business Practice Bulletin O-100: Procedure for Property and Inventory Control with the designated property team member(s) to ensure compliance with all procedures. The following internal control areas require improvement.**

Response: PPO has already sent the designated property team members to the Inventory Process & Tips training offered by the Information & Technology Department. Management has already reviewed the Business Practice Bulletin O-100.

- 3. The locations must take appropriate measures to ensure the safekeeping of all tangible personal property.**

Response: PPO agrees and has designated an individual whose primary responsibility is the maintenance of all property inventories (hereafter identified as PPO Property Custodian).

- 4. At a minimum, semi-annual inventories should be conducted to ensure the District's property records are accurately maintained and updated. This includes the high-risk property items maintained within the secondary database established by the location.**

Response: PPO agrees. Please see corrective action #1.

- 5. The location should improve its processes for completing the 3290A Surplus Declaration Transfer forms after tangible personal property has been recognized as salvageable equipment.**

Response: PPO Management agrees and the PPO Property Custodian will work with each Manager and this office to ensure that 3290A forms are executed on every asset transfer. Please see corrective action #1.

- 6. A property pass must be executed to document the assignment and removal of equipment from the primary operational site.**

Response: PPO Management will work with the PPO Property Custodian and this office to ensure that property passes are executed for every assignment and removal of equipment from the primary operational site.

- 7. Policies and procedures for reporting theft or vandalism of fixed assets should be provided to all staff members who are assigned equipment that is temporarily removed from the primary operational site to ensure that everyone is aware of the expectations for safeguarding as well as the reporting requirement for District assets in the future.**

Response: The PPO Property Custodian will be immediately trained to ensure that assets are accurately managed, safely stored, and properly identified when reported in forms and reports including not less than the serial number and description narrative. Please see corrective action #1.

- 8. Any corrections required to asset record(s) should be promptly reported to AFRD-CA. If the tangible personal property has not been received at the location, and the asset records were mistakenly created for this location, the Property Custodian should immediately notify AFRD-CA to correct the discrepancy in a timely manner.**

Response: PPO agrees and the PPO Property Custodian will ensure compliance.

- 9. When transferring tangible personal property to a different location, the proper documentation should be executed and completed. Transfer documentation that is greater than 90 days old will not be accepted during the property audit of tangible personal property.**

Response: PPO agrees and will comply, and PPO management is accountable to provide continuous training opportunities to staff on procedures including transfer documentation.

**School Name: Castle Hill Elementary 1461**

**Principal: Frances Fuce-Ollivierre**

**Address: 2640 NW 46 Avenue  
Lauderhill, FL 33313**

Total Number of Items in Inventory:	654
Total Dollar Cost of Items in Inventory:	\$619,838
Total Number of Items Unaccounted for:	41
Total Dollar Cost of Items Unaccounted for:	\$54,416
Total Net Value of Items Unaccounted for:	\$0
Percentage of Dollar Cost of Items Unaccounted for:	8.8%

### **Findings**

A review of all property and inventory was performed by the Office of the Chief Auditor (OCA). The OCA identified several weaknesses related to the fixed assets physical inventory processes and related internal controls that did not meet the District's policies and procedures.

The Principal stated, in the 30-day audit response, that the original 3290A Surplus Declaration Transfer forms submitted as part of the SMART Surplus process listed twenty-six pieces of equipment that are currently unaccounted for. The forms originally submitted by the school, 03290 Tangible Property Loss/Equipment Acquisition forms, were the incorrect forms to use when surplussing equipment. The forms were hand written and only the serial numbers were listed on the forms. Although it is not against policies and procedures to hand write the forms, it does increase the possibility of error. The school should be using a database where the forms can be generated directly out of the database in order to prevent error and ensure the correct forms are generated with all of the information required. The school was asked by Warehousing Services to transfer the information onto the correct 3290A Surplus Declaration Transfer forms and apparently not all of the equipment was transferred onto the new forms. Once the new forms were received, Warehousing Services scheduled the surplus pickup. According to Warehousing Services' SMART Surplus Process (See Exhibit A) after the completion of the pickup, the school receives a copy of the "scanned asset list" from Warehousing Services. The school is given 72 hours to compare the 3290A Surplus forms they created against the "scanned asset list" provided to them. (See Exhibit B) If discrepancies are found, it is the school's responsibility to contact Warehousing Services to address the discrepancies. Warehousing Services confirmed that if the



**(Castle Hill Elementary continued)**

equipment is not listed on the “scanned asset list” then it was not removed from the school during the SMART Surplus pickup. The Office of the Chief Auditor confirmed that sixteen, not twenty-six, of forty-one unaccounted for pieces of equipment were listed on the “scanned asset list.”

Internal controls for tracking and safeguarding assets should be strengthened as the remaining unaccounted for equipment, according to the Principal’s response, is missing or could have been part of a different b-stock pickup but the surplus paperwork was not available. Records were not provided by the school to confirm that the school was conducting semi-annual property and inventory self-audits. Non-compliance with policies and procedures for fixed assets leaves the District vulnerable to undetected employee errors and theft or misuse of assets. The school displayed weaknesses in the controls to safeguard fixed assets.

**Recommendation**

The Office of the Chief Auditor suggests reconciliation of all assets be completed as often as needed to ensure an accurate physical accounting of site designated assets by the staff. The Principal should ensure the accounting of assets is completed semi-annually in order to comply with policies and procedures.

The Office of the Chief Auditor recommends the Principal register the designated property team member(s) for the Inventory Process & Tips training offered by the Information & Technology Department. In addition, the Principal should review Business Practice Bulletin O-100: Procedure for Property and Inventory Control with the designated property team member(s) to ensure compliance with all procedures. The following internal control areas require improvement.

- The locations must take appropriate measures to ensure the safekeeping of all tangible personal property.
- At a minimum, semi-annual inventories should be conducted to ensure the District’s property records are accurately maintained and updated. This includes the high-risk property items maintained within the secondary database established by the location.
- The location should improve its processes for completing the 3290A Surplus Declaration Transfer forms after tangible personal property has been recognized as salvageable equipment.

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**The Office of the Chief Auditor**  
**Property Division**  
**2016-17**

**Items not accounted for: Castle Hill Elementary 1461**

	<b>BPI NUMBER</b>	<b>ITEM DESCRIPTION</b>	<b>HISTORICAL COST</b>
1	A09-83363	APPLE MACBOOK LAPTOP	\$ 1,373.00
2	06-08230	APPLE DESKTOP EMAC G4 17" FLAT	\$ 1,295.00
3	06-08232	APPLE DESKTOP EMAC G4 17" FLAT	\$ 1,100.00
4	06-08237	APPLE DESKTOP EMAC G4	\$ 1,100.00
5	06-08239	APPLE IBOOK G4 W/CD	\$ 1,531.50
6	06-08264	APPLE DESKTOP EMAC G4	\$ 1,295.00
7	06-80430	APPLE IBOOK 14" G4	\$ 1,568.23
8	05LA11449	APPLE REFRESH LAPTOP	\$ 1,395.62
9	05LA11484	APPLE REFRESH LAPTOP	\$ 1,395.62
10	05LL01962	LEXMARK REFRESH PRINTER T640n	\$ 1,099.66
11	05-36328	APPLE IBOOK G4 COMBO DRIVE	\$ 1,239.00
12	A05-36338	APPLE IBOOK LAPTOP	\$ 1,239.00
13	05-36349	APPLE IBOOK G4 COMBO DRIVE	\$ 1,239.00
14	04-15526	APPLE DESKTOP 17"	\$ 1,100.30
15	04-15533	APPLE DESKTOP 17"	\$ 1,100.30
16	04-15557	APPLE DESKTOP 17"	\$ 1,100.30
17	04-15564	APPLE DESKTOP 17"	\$ 1,100.30
18	04-15565	APPLE DESKTOP 17"	\$ 1,100.30
19	04-15566	APPLE DESKTOP 17"	\$ 1,100.30
20	04-15568	APPLE DESKTOP 17"	\$ 1,100.30
21	04-14319	APPLE DESKTOP EMAC G4	\$ 1,100.30
22	04-14329	APPLE DESKTOP EMAC G4	\$ 1,100.30
23	04-14330	APPLE DESKTOP EMAC G4	\$ 1,100.30
24	04-14332	APPLE DESKTOP EMAC G4	\$ 1,100.30
25	04-14333	APPLE DESKTOP EMAC G4	\$ 1,100.30
26	04-14337	APPLE DESKTOP EMAC G4	\$ 1,100.30
27	04-14344	APPLE DESKTOP EMAC G4	\$ 1,100.30
28	04-14352	APPLE DESKTOP EMAC G4	\$ 1,100.30
29	04-14353	APPLE DESKTOP EMAC G4	\$ 1,100.30
30	04-14354	APPLE DESKTOP EMAC G4	\$ 1,100.30
31	04-10282	APPLE DESKTOP EMAC G4 W/17"	\$ 1,960.05
32	04-06361	APPLE DESKTOP EMAC G4	\$ 1,390.00
33	04-04944	LEXMARK PRINTER T630N	\$ 1,208.00
34	A03-20635	APPLE TITANIUM LAPTOP G4	\$ 2,581.95
35	03-18795	LEXMARK PRINTER T520N	\$ 1,234.00
36	A03-09269	APPLE IMAC G4 COMPUTER	\$ 2,499.33
37	03-01791	APPLE IMAC COMPUTER	\$ 1,933.36
38	03-02942	QUICK SILVER MAC G4	\$ 3,085.61
39	01-19845	APPLE IMAC COMPUTER	\$ 1,098.86
40	01-19846	APPLE IMAC COMPUTER	\$ 1,098.86
41		DELL LAPTOP E5430 (SER# 4ZKL8W1) <sup>[2]</sup>	\$ 750.00

Total Historical Cost of Property unaccounted for as of August 18, 2016	\$	54,415.75
<sup>[1]</sup> Total Accumulated Depreciation as of August 18, 2016	\$	54,415.75
Net Value of Property considered to be unaccounted for as of August 18, 2016	\$	-

[1] Based upon class life used by the Accounting and Financial Reporting Department

[2] High-risk item unaccounted for

SMART SURPLUS ASSETS	SMART SURPLUS NON-ASSETS	SMART SURPLUS INFRASTRUCTURE	B-STOCK SURPLUS ASSETS & NON-ASSETS
All SMART Computer Devices, A/V Media Equipment <u>WITH</u> BPI Asset Numbers	All SMART Devices, A/V Media Equipment <u>WITHOUT</u> BPI Asset Numbers	All SMART infrastructure equipment removed (wi-fi access points, servers, racks, etc.)	<u>Non SMART</u> related assets and non-assets (appliances, gym equipment, custodial tools, musical instruments, etc.)
Complete <u>ONE SET</u> of 3290A Surplus Declaration Forms to include descriptions, BPI asset numbers and serial numbers. Indicate "SMART SURPLUS" in upper right hand corner of document.	Complete <u>ONE SET</u> of 3290A Surplus Declaration Forms to include descriptions, BPI asset numbers and serial numbers. Indicate "SMART SURPLUS" in upper right hand corner of document.	3290A Surplus Declaration Forms will be completed by the Vendor (JDL) and submitted to the school. <u>The school must verify/confirm assets listed on forms.</u>	Complete <u>ONE SET</u> of 3290A Surplus Declaration Forms to include descriptions, BPI asset numbers and serial numbers.
Principal must sign 3290A form on "Equipment Transfer/Surplus Approved By" line. <u>IN BLUE INK</u>	Principal must sign 3290A form on "Equipment Transfer/Surplus Approved By" line. <u>IN BLUE INK</u>	Principal must sign 3290A form on "Equipment Transfer/Surplus Approved By" line. <u>IN BLUE INK</u>	Principal must sign 3290A form on "Equipment Transfer/Surplus Approved By" line. <u>IN BLUE INK</u>
<u>Keep original signed 3290A forms.</u> Scan completed 3290A forms and SMART Surplus list to "B-Stock Surplus " in CAB (type "B-STOCK" in CAB to populate address)	<u>Keep original signed 3290A forms.</u> Scan completed 3290A forms and SMART Surplus list to "B-Stock Surplus " in CAB. (type "B-STOCK" in CAB to populate address)	Scan completed 3290A forms to "B-Stock Surplus " in CAB. (type "B-STOCK" in CAB to populate address)	<u>Submit original 3290A forms by pony to B-Stock (Attn: Ted Skopinski) 321-2850</u>
Once 3290A forms are received, the school will be contacted for scheduling a direct pickup of surplus by the Recycle Vendor.	Once 3290A forms are received, the school will be contacted for scheduling pickup of surplus. It will be determined at that time if the items will be picked up by Vendor or B-Stock (determination of space requirements on Vendor truck).	<u>Submit original 3290A forms by pony to B-Stock (Attn: Ted Skopinski) 321-2850</u>	Procurement & Warehousing department will generate a B-Stock Transfer Ticket and schedule pickup of equipment.
3290A forms will be attached to transfer paperwork on date of scheduled surplus pickup. <u>The original 3290A forms will be collected by Procurement &amp; Warehousing department at time of pickup.</u>	<u>If B-Stock is scheduled to complete pickup:</u> Submit original 3290A forms by pony to B-Stock (Attn: Ted Skopinski) 321-2850	Procurement & Warehousing department will generate a B-Stock Transfer Ticket and schedule pickup of equipment.	Procurement & Warehousing department will submit all original 3290A forms to Capital Assets/Financial Reporting with copy of signed B-Stock Transfer Ticket.
After completion of surplus pickup, the school will receive a copy of the "Scanned Asset List" within 72 hours. <u>Upon receipt, the school must verify that the "Scanned Asset List" matches the completed 3290A forms.</u> Contact Kent Jerding within 72 hours if discrepancies are found.	Procurement & Warehousing department will generate a B-Stock Transfer Ticket and schedule pickup of equipment.	Procurement & Warehousing department will submit all original 3290A forms to Capital Assets/Financial Reporting with copy of signed B-Stock Transfer Ticket.	<b>ALL ITEMS MUST BE IN A CENTRAL LOCATION AT SITE</b>
Procurement & Warehousing department will submit all original 3290A forms to Capital Assets/Financial Reporting with copy of signed B-Stock Transfer Ticket.	<u>If Vendor is scheduled to complete pickup:</u> 3290A forms will be attached to transfer paperwork on date of scheduled surplus pickup. <u>The original 3290A forms will be collected by Procurement &amp; Warehousing department at time of pickup.</u>	<b>ALL ITEMS MUST BE IN A CENTRAL LOCATION AT SITE</b>	
<b>ALL ITEMS MUST BE IN A CENTRAL LOCATION AT SITE</b>	Procurement & Warehousing department will submit all original 3290A forms to Capital Assets/Financial Reporting with copy of signed B-Stock Transfer Ticket.		
	<b>** NOTE: For peripheral items such as monitors, keyboards, etc., a "total count" for each type item is required.</b>		
	<b>ALL ITEMS MUST BE IN A CENTRAL LOCATION AT SITE</b>		

## BROWARD SCHOOL DISTRICT TRACKING MATERIAL

SERIAL NUMBER	MAKE	MODEL	COMMENTS
4H5355UJSEB	APPLE	LAPTOP	CART 1
4H5210NNS88	APPLE	LAPTOP	
4H5210T2S88	APPLE	LAPTOP	
4H5210TES88	APPLE	LAPTOP	
4H53644KSE7	APPLE	LAPTOP	
4H53645BSE7	APPLE	LAPTOP	
4H5353YWSEB	APPLE	LAPTOP	
4H53299FSEB	APPLE	LAPTOP	
4H210GMS88	APPLE	LAPTOP	
4H5210J3S88	APPLE	LAPTOP	
4H5210Q0S88	APPLE	LAPTOP	
4H5329W8SEB	APPLE	LAPTOP	
4H53557XSEB	APPLE	LAPTOP	
4H531D7ESEB	APPLE	LAPTOP	
4H5210QCS88	APPLE	LAPTOP	
4H531JQQSEB	APPLE	LAPTOP	
4H5353ZZSEB	APPLE	LAPTOP	
4H531FZFSEB	APPLE	LAPTOP	
4H5210T9S88	APPLE	LAPTOP	
4H5210NAS88	APPLE	LAPTOP	
4H5352FJSEB	APPLE	LAPTOP	
4H5328N1SEB	APPLE	LAPTOP	
4H5357Y9SEB	APPLE	LAPTOP	
4H53589FSEB	APPLE	LAPTOP	
4H531KWGSEB	APPLE	LAPTOP	
4H531ELVSEB	APPLE	LAPTOP	
UV4353SERAP	APPLE	LAPTOP	
4H531FZMSEB	APPLE	LAPTOP	
4H5210TAS88	APPLE	LAPTOP	
4H5329Y8SEB	APPLE	LAPTOP	
4H531BHBSEB	APPLE	LAPTOP	
4H53293TSEB	APPLE	LAPTOP	
UV435A1BQJP	APPLE	LAPTOP	
4H5352JFSEB	APPLE	LAPTOP	
UV4353RSRAP	APPLE	LAPTOP	
4H5356PUSEB	APPLE	LAPTOP	
4H531D6HSEB	APPLE	LAPTOP	
4H535CGZSE7	APPLE	LAPTOP	
UV4353PURAP	APPLE	LAPTOP	
4H5210TBS88	APPLE	LAPTOP	
4H5327WCSEB	APPLE	LAPTOP	
UV4111V1QE4	APPLE	LAPTOP	
4H5210T6S88	APPLE	LAPTOP	
4H5210TFS88	APPLE	LAPTOP	
4H5329XYSEB	APPLE	LAPTOP	
4H5352W3SEB	APPLE	LAPTOP	
4H531FPDSEB	APPLE	LAPTOP	CART 1
UV4353RLRAP	APPLE	LAPTOP	CART 1
UV4353S4RAP	APPLE	LAPTOP	CART 1
UV4353RZRAP	APPLE	LAPTOP	CART 1
UV4353SCRAP	APPLE	LAPTOP	CART 1

**BROWARD SCHOOL DISTRICT TRACKING MATERIAL**

SERIAL NUMBER	MAKE	MODEL	COMMENTS
4H535CK4SE7	APPLE	LAPTOP	CART 1
4H531KRASEB	APPLE	LAPTOP	CART 1
UV4359Y5QJP	APPLE	LAPTOP	CART 1
UV4353LHRAP	APPLE	LAPTOP	CART 1
4H53644SSE7	APPLE	LAPTOP	CART 1
UV4359Y4QJP	APPLE	LAPTOP	CART 1
4H535835SEB	APPLE	LAPTOP	CART 1
4H5210XSS88	APPLE	LAPTOP	CART 1
4H531CTESEB	APPLE	LAPTOP	CART 1
4H5355RQSEB	APPLE	LAPTOP	CART 1
4H5210NMS88	APPLE	LAPTOP	CART 1
4H5210PKS88	APPLE	LAPTOP	CART 1
UV4353SKRAP	APPLE	LAPTOP	CART 1
4H53617ZSE7	APPLE	LAPTOP	CART 1
4H5210T5S88	APPLE	LAPTOP	CART 1
4H5210T8S88	APPLE	LAPTOP	CART 1
4H5210PUS88	APPLE	LAPTOP	CART 1
4H535661SEB	APPLE	LAPTOP	CART 1
4H535CD9SE7	APPLE	LAPTOP	CART 1
4H531EVASEB	APPLE	LAPTOP	CART 1
4H5360FTSE7	APPLE	LAPTOP	CART 1
4H5358YWSEB	APPLE	LAPTOP	CART 1
UV4353R5RAP	APPLE	LAPTOP	CART 1
UV4359XTQJP	APPLE	LAPTOP	CART 1
4H53571LSEB	APPLE	LAPTOP	CART 1
4H5355DNSEB	APPLE	LAPTOP	CART 1
UV4353RQRAP	APPLE	LAPTOP	CART 1
UV4353SQRAP	APPLE	LAPTOP	CART 1
4H531FDQSEB	APPLE	LAPTOP	CART 2
4H5354PFSEB	APPLE	LAPTOP	
4H53533GSEB	APPLE	LAPTOP	
4H53550KSEB	APPLE	LAPTOP	
4H531FL1SEB	APPLE	LAPTOP	
4H531ECHSEB	APPLE	LAPTOP	
4H53536USEB	APPLE	LAPTOP	
4H5359E3SEB	APPLE	LAPTOP	
4H5352BXSEB	APPLE	LAPTOP	
4H5356B2SEB	APPLE	LAPTOP	
4H5357YMSE7	APPLE	LAPTOP	
4H5329BKSEB	APPLE	LAPTOP	
4H531G2GSEB	APPLE	LAPTOP	
4H53530JSEB	APPLE	LAPTOP	
4H531GD3SEB	APPLE	LAPTOP	CART 2
UV4353RVRAP	APPLE	LAPTOP	CART 2
4H535403SEB	APPLE	LAPTOP	
UV4359WDQJP	APPLE	LAPTOP	
4H531GELSEB	APPLE	LAPTOP	
4H5352KESEB	APPLE	LAPTOP	
4H53530SSEB	APPLE	LAPTOP	
UV4353Q5RAP	APPLE	LAPTOP	
4H535CM7SE7	APPLE	LAPTOP	

## BROWARD SCHOOL DISTRICT TRACKING MATERIAL

SERIAL NUMBER	MAKE	MODEL	COMMENTS
4H5354QZSEB	APPLE	LAPTOP	
UV4353S0RAP	APPLE	LAPTOP	
4H531FDASEB	APPLE	LAPTOP	
4H5352L5SEB	APPLE	LAPTOP	
4H5353GQSEB	APPLE	LAPTOP	
4H531FV0SEB	APPLE	LAPTOP	
4H535652SEB	APPLE	LAPTOP	
4H5352KGSEB	APPLE	LAPTOP	
UV4353QZRAP	APPLE	LAPTOP	
4H53528TSEB	APPLE	LAPTOP	
4H531FKKSEB	APPLE	LAPTOP	
4H5356S3SEB	APPLE	LAPTOP	
4H53644HSE7	APPLE	LAPTOP	
4H5210QSS88	APPLE	LAPTOP	
W86262BYVWY	APPLE	LAPTOP	
W8910BUU4R1	APPLE	LAPTOP	
4H5327RVSEB	APPLE	LAPTOP	
4H531DMTSEB	APPLE	LAPTOP	
UV4353RMRAP	APPLE	LAPTOP	
4H531DWYSEB	APPLE	LAPTOP	
4H531F0KSEB	APPLE	LAPTOP	
UV4359UUQJP	APPLE	LAPTOP	
UV4353S9RAP	APPLE	LAPTOP	
4H5328MWSEB	APPLE	LAPTOP	
UV4353RKRAP	APPLE	LAPTOP	
4H5329BVSEB	APPLE	LAPTOP	
4H5328HNSEB	APPLE	LAPTOP	
4H535545SEB	APPLE	LAPTOP	
4H53643VSE7	APPLE	LAPTOP	
4H531J9PSEB	APPLE	LAPTOP	
4H532905SEB	APPLE	LAPTOP	
UV4353S8RAP	APPLE	LAPTOP	
4H5329Z0SEB	APPLE	LAPTOP	
4H535BVVSE7	APPLE	LAPTOP	
4H5329DCSEB	APPLE	LAPTOP	
4H535CT7SE7	APPLE	LAPTOP	
UV4359UMQJP	APPLE	LAPTOP	
4H5329ZCSEB	APPLE	LAPTOP	CART 2
4H53294NSEB	APPLE	LAPTOP	
4H5329YCSEB	APPLE	LAPTOP	
UV4359XXQJP	APPLE	LAPTOP	
4H5329YZSEB	APPLE	LAPTOP	CART 2
4H5363ZMSE7	APPLE	LAPTOP	CART 3
4H5210Z9S88	APPLE	LAPTOP	
4H5210SZS88	APPLE	LAPTOP	
4H535CD8SE7	APPLE	LAPTOP	
UV4111WNQE4	APPLE	LAPTOP	
4H5210JCS88	APPLE	LAPTOP	
4H5352QQSEB	APPLE	LAPTOP	
4H5358ZBSEB	APPLE	LAPTOP	
4H5352HTSEB	APPLE	LAPTOP	

**BROWARD SCHOOL DISTRICT TRACKING MATERIAL**

SERIAL NUMBER	MAKE	MODEL	COMMENTS
4H53591HSEB	APPLE	LAPTOP	
4H531G0BSEB	APPLE	LAPTOP	
4H53595VSEB	APPLE	LAPTOP	
4H5353WYSEB	APPLE	LAPTOP	
4H53591RSEB	APPLE	LAPTOP	
4H53533TSEB	APPLE	LAPTOP	
4H5357WLSEB	APPLE	LAPTOP	
4H5329DUSEB	APPLE	LAPTOP	
4H5357X5SEB	APPLE	LAPTOP	
4H53540JSEB	APPLE	LAPTOP	
4H5353SBSEB	APPLE	LAPTOP	
4H5354DPSEB	APPLE	LAPTOP	
4H53585DSEB	APPLE	LAPTOP	
UV4353RYPAP	APPLE	LAPTOP	
4H535996SEB	APPLE	LAPTOP	
4H5327XBSEB	APPLE	LAPTOP	
4H5329UPSEB	APPLE	LAPTOP	
4H5358JASEB	APPLE	LAPTOP	
4H5354GQSEB	APPLE	LAPTOP	
4H535852SEB	APPLE	LAPTOP	
4H5357XESEB	APPLE	LAPTOP	
4H532A3GSEB	APPLE	LAPTOP	
4H5325KJSEB	APPLE	LAPTOP	
4H5361Z7SE7	APPLE	LAPTOP	
4H531JNDSEB	APPLE	LAPTOP	
UV4353RTRAP	APPLE	LAPTOP	
4H531KXESEB	APPLE	LAPTOP	
UV4359WHQJP	APPLE	LAPTOP	
4H535CMKSE7	APPLE	LAPTOP	
4H5210P8S88	APPLE	LAPTOP	
4H53644CSE7	APPLE	LAPTOP	
4H5329GYSEB	APPLE	LAPTOP	
UV4111XAQE4	APPLE	LAPTOP	
4H5358U8SEB	APPLE	LAPTOP	CART 3
4H53528FSEB	APPLE	LAPTOP	CART 3
4H5357ESSEB	APPLE	LAPTOP	
4H531EW4SEB	APPLE	LAPTOP	
4H531EUMSEB	APPLE	LAPTOP	
4H5359DRSEB	APPLE	LAPTOP	
4H5352H1SEB	APPLE	LAPTOP	
4H531BVLSEB	APPLE	LAPTOP	
4H531EDMSEB	APPLE	LAPTOP	
4H53563BSEB	APPLE	LAPTOP	
4H5355N5SEB	APPLE	LAPTOP	
4H531EP6SEB	APPLE	LAPTOP	
4H5352JVSEB	APPLE	LAPTOP	
4H5359AHSEB	APPLE	LAPTOP	COUNT: 200
QT239ZPEMLQ	APPLE	IMAC/EMAC/PC	
W83383AEPH	APPLE	IMAC/EMAC/PC	
G84060VVQLP	APPLE	IMAC/EMAC/PC	

# BROWARD SCHOOL DISTRICT TRACKING MATERIAL

SERIAL NUMBER	MAKE	MODEL	COMMENTS
G853409LTKG	APPLE	IMAC/EMAC/PC	
G85270BYSCH	APPLE	IMAC/EMAC/PC	
G83072BGNDH	APPLE	IMAC/EMAC/PC	
G83072BZNDH	APPLE	IMAC/EMAC/PC	
G84060VJQLP	APPLE	IMAC/EMAC/PC	
G83072AVNDH	APPLE	IMAC/EMAC/PC	
G84060WWQLP	APPLE	IMAC/EMAC/PC	
G84060UPQLP	APPLE	IMAC/EMAC/PC	
G84060TKQLP	APPLE	IMAC/EMAC/PC	
G84060U4QLP	APPLE	IMAC/EMAC/PC	
G84060T3QLP	APPLE	IMAC/EMAC/PC	
G8521G5XTKG	APPLE	IMAC/EMAC/PC	
G84060WPQLP	APPLE	IMAC/EMAC/PC	
G85346PTKG	APPLE	IMAC/EMAC/PC	
G84060V0QLP	APPLE	IMAC/EMAC/PC	
G83072C3NDH	APPLE	IMAC/EMAC/PC	
G84060UGQLP	APPLE	IMAC/EMAC/PC	
G84060XNQLP	APPLE	IMAC/EMAC/PC	
G84060XVQLP	APPLE	IMAC/EMAC/PC	
G84060UUQLP	APPLE	IMAC/EMAC/PC	
G84060VHQLP	APPLE	IMAC/EMAC/PC	
G84060U9QLP	APPLE	IMAC/EMAC/PC	
G84060WYQLP	APPLE	IMAC/EMAC/PC	
G84060TSQLP	APPLE	IMAC/EMAC/PC	
G85346NNTKG	APPLE	IMAC/EMAC/PC	
G852703XSCH	APPLE	IMAC/EMAC/PC	
W83381JHPJH	APPLE	IMAC/EMAC/PC	
G84060WKQLP	APPLE	IMAC/EMAC/PC	
XB22302NM1Y	APPLE	IMAC/EMAC/PC	
G8527053SCH	APPLE	IMAC/EMAC/PC	
G84060TGQLP	APPLE	IMAC/EMAC/PC	
G84060UVQLP	APPLE	IMAC/EMAC/PC	
G85346PHTKG	APPLE	IMAC/EMAC/PC	
YM329702NM2	APPLE	IMAC/EMAC/PC	
G85346N7TKG	APPLE	IMAC/EMAC/PC	
G84060V5QLP	APPLE	IMAC/EMAC/PC	
G84060THQLP	APPLE	IMAC/EMAC/PC	
W83382WLPJH	APPLE	IMAC/EMAC/PC	
W83381ABPJH	APPLE	IMAC/EMAC/PC	
G85346NYTKG	APPLE	IMAC/EMAC/PC	
G85346NPTKG	APPLE	IMAC/EMAC/PC	
G84060X9QLP	APPLE	IMAC/EMAC/PC	
W83383EYPJH	APPLE	IMAC/EMAC/PC	
G8527001SCH	APPLE	IMAC/EMAC/PC	
G84060UJQLP	APPLE	IMAC/EMAC/PC	
G84060XMQLP	APPLE	IMAC/EMAC/PC	
G84060YIQLP	APPLE	IMAC/EMAC/PC	
G83072B2NDH	APPLE	IMAC/EMAC/PC	
G84060VWQLP	APPLE	IMAC/EMAC/PC	
G84060TPQLP	APPLE	IMAC/EMAC/PC	
G84060V4QLP	APPLE	IMAC/EMAC/PC	



# BROWARD SCHOOL DISTRICT TRACKING MATERIAL

SERIAL NUMBER	MAKE	MODEL	COMMENTS
G84060XQQLP	APPLE	IMAC/EMAC/PC	
G83072APNDH	APPLE	IMAC/EMAC/PC	
G84060VKQLP	APPLE	IMAC/EMAC/PC	
G84060U2QLP	APPLE	IMAC/EMAC/PC	
G84060X5QLP	APPLE	IMAC/EMAC/PC	
G83332S1PQL	APPLE	IMAC/EMAC/PC	
G84060UYQLP	APPLE	IMAC/EMAC/PC	
G84060TLQLP	APPLE	IMAC/EMAC/PC	
G853409DTKG	APPLE	IMAC/EMAC/PC	
G840606EQLP	APPLE	IMAC/EMAC/PC	
G84060V3QLP	APPLE	IMAC/EMAC/PC	
G84060WMQLP	APPLE	IMAC/EMAC/PC	
G84060WXQLP	APPLE	IMAC/EMAC/PC	
G84060VGQLP	APPLE	IMAC/EMAC/PC	
G84060U1QLP	APPLE	IMAC/EMAC/PC	
G85270BWSCH	APPLE	IMAC/EMAC/PC	
G852708WSCH	APPLE	IMAC/EMAC/PC	
G84060XWQLP	APPLE	IMAC/EMAC/PC	
G84060XXQLP	APPLE	IMAC/EMAC/PC	
G84060W7QLP	APPLE	IMAC/EMAC/PC	
G84060X7QLP	APPLE	IMAC/EMAC/PC	
G85270BDSCH	APPLE	IMAC/EMAC/PC	
G8521FRQTKG	APPLE	IMAC/EMAC/PC	
G85346NRTKG	APPLE	IMAC/EMAC/PC	
G84060TEQLP	APPLE	IMAC/EMAC/PC	
G852706MSCH	APPLE	IMAC/EMAC/PC	
G84060W2QLP	APPLE	IMAC/EMAC/PC	
G84060WRQLP	APPLE	IMAC/EMAC/PC	
G83332SJPQL	APPLE	IMAC/EMAC/PC	
G84060W8QLP	APPLE	IMAC/EMAC/PC	
G84060WNQLP	APPLE	IMAC/EMAC/PC	
QT2204C6LF4	APPLE	IMAC/EMAC/PC	
G83246BAPQL	APPLE	IMAC/EMAC/PC	
G84060VSQLP	APPLE	IMAC/EMAC/PC	
G84060Y1QLP	APPLE	IMAC/EMAC/PC	
G84060UHQLP	APPLE	IMAC/EMAC/PC	
G8521G66TKG	APPLE	IMAC/EMAC/PC	
G84060URQLP	APPLE	IMAC/EMAC/PC	
G84060VLQLP	APPLE	IMAC/EMAC/PC	
G84060TNQLP	APPLE	IMAC/EMAC/PC	
G83072RYNDH	APPLE	IMAC/EMAC/PC	
G83235MPPQL	APPLE	IMAC/EMAC/PC	
G84060TVQLP	APPLE	IMAC/EMAC/PC	
W833839CPJH	APPLE	IMAC/EMAC/PC	
G84060UMQLP	APPLE	IMAC/EMAC/PC	
G84060XAQLP	APPLE	IMAC/EMAC/PC	
G84060XDQLP	APPLE	IMAC/EMAC/PC	
G83393YVPQL	APPLE	IMAC/EMAC/PC	
G85270B3SCH	APPLE	IMAC/EMAC/PC	
G8527006SCH	APPLE	IMAC/EMAC/PC	
G8324685PQL	APPLE	IMAC/EMAC/PC	

# BROWARD SCHOOL DISTRICT TRACKING MATERIAL

SERIAL NUMBER	MAKE	MODEL	COMMENTS
G83332U5PQL	APPLE	IMAC/EMAC/PC	
G85346NFTKG	APPLE	IMAC/EMAC/PC	
G83332U3PQL	APPLE	IMAC/EMAC/PC	
G848419ZQLP	APPLE	IMAC/EMAC/PC	
G83072ANNDH	APPLE	IMAC/EMAC/PC	
G8332U3PQL	APPLE	IMAC/EMAC/PC	
G83072CCNDH	APPLE	IMAC/EMAC/PC	
G85346N5TKG	APPLE	IMAC/EMAC/PC	
G853409TTKG	APPLE	IMAC/EMAC/PC	
G84060XPQLP	APPLE	IMAC/EMAC/PC	
G84060USQLP	APPLE	IMAC/EMAC/PC	
G853409RTKG	APPLE	IMAC/EMAC/PC	
G83072AUNDH	APPLE	IMAC/EMAC/PC	
G84060XTQLP	APPLE	IMAC/EMAC/PC	
G84060XFQLP	APPLE	IMAC/EMAC/PC	
G853409UTKG	APPLE	IMAC/EMAC/PC	
YM3296QYNM2	APPLE	IMAC/EMAC/PC	
G853409QTKG	APPLE	IMAC/EMAC/PC	
G85346N1TKG	APPLE	IMAC/EMAC/PC	
W833839RPJH	APPLE	IMAC/EMAC/PC	
G84060VQLP	APPLE	IMAC/EMAC/PC	
YM10372VKLX	APPLE	IMAC/EMAC/PC	
G527006SCH	APPLE	IMAC/EMAC/PC	
G84060TMQLP	APPLE	IMAC/EMAC/PC	
G84060VTQLP	APPLE	IMAC/EMAC/PC	
G84060TJQLP	APPLE	IMAC/EMAC/PC	
G84060UWQLP	APPLE	IMAC/EMAC/PC	
G84060V9QLP	APPLE	IMAC/EMAC/PC	
G85270BSSCH	APPLE	IMAC/EMAC/PC	
G84060TFQLP	APPLE	IMAC/EMAC/PC	
G83072ASNDH	APPLE	IMAC/EMAC/PC	
G83072CDNDH	APPLE	IMAC/EMAC/PC	
G8332U5PQL	APPLE	IMAC/EMAC/PC	
G83072AYNDH	APPLE	IMAC/EMAC/PC	
W83380Z5PJH	APPLE	IMAC/EMAC/PC	
HMGKV5	DELL	IMAC/EMAC/PC	COUNT: 142
79017H5	LEXMARK	PRINTER	
790110W	LEXMARK	PRINTER	
9923KX6	LEXMARK	PRINTER	
QTY:4	MISC	PRINTER	
QTY: 7	MISC	TV'S	
QTY:6	MISC	MONITOR	
QTY: 25	MISC	A/V EQUIPMENT	
QTY: 140	MISC	KEYBOARDS	

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
OFFICE OF SCHOOL PERFORMANCE & ACCOUNTABILITY**

**VALERIE S. WANZA, Ph.D.  
CHIEF OFFICER**

**Phone: 754-321-3838**

**Facsimile: 754-321-3886**

October 11, 2016

TO: Patrick Reilly  
Chief Auditor

FROM: Valerie S. Wanza, Ph.D.  
Chief School Performance and Accountability Officer

SUBJECT: **PROPERTY AND INVENTORY AUDIT RESPONSE  
CASTLE HILL ELEMENTARY SCHOOL**

This correspondence acknowledges receipt and review of the findings from the FY 2016-17 property and inventory audit for Castle Hill Elementary School. In addition to the corrective measures that the principal will be implementing, the Office of School Performance & Accountability will provide the following support and oversight in assisting the school in this area:

- The cadre director will work with the principal to ensure all team members receive Process & Tips Training offered by the Information & Technology Department and support related to asset management, specifically property management and control as stated in Business Practice Bulletins.
- The cadre director will collaborate with the principal to review the school's compliance with District policies and business practice bulletins related to property and inventory controls, conduct regular site-based audits, and amend the school's property and inventory protocols as needed.
- The cadre director will include a review of the asset management protocols in her regularly scheduled site visits with the principal.
- A principal, who has demonstrated outstanding proficiency in the area of maintaining accurate property and inventory records, will be assigned as a mentor to the principal at Castle Hill Elementary School to share best practices in asset management.

The Office of School Performance & Accountability recognizes the seriousness of this matter. We will work to ensure that this school develops, implements and monitors sound business practices that should prevent further occurrences of this nature. If I may be of additional assistance, please contact me at 754-321-3838.

VSW/IC:ac

cc: Irene Cejka, School Performance & Accountability Director  
Frances Fuce-Ollivierre, Principal, Castle Hill Elementary School  
Ali Arcese, Manager, Property & Inventory Audits, Office of the Chief Auditor



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Castle Hill Elementary  
Frances Fuce-Ollivierre, Principal  
2640 NW 46<sup>th</sup> Avenue  
Lauderhill, FL 33313  
TEL 754-322-5600  
FAX 754-322-5640

**The School Board of  
Broward County, Florida**


Dr. Rosalind Osgood, Chair  
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Robert W. Runcie  
Superintendent of Schools

September 30, 2016

TO: Valerie S. Wanza, Ph.D.  
Chief School Performance & Accountability Officer

FROM: Frances Fuce-Ollivierre, Principal 

SUBJECT: Audit report on Property Inventory Response –  
Fiscal Year 2016-2017

The memo is in response to the property and inventory audit report conducted at Castle Hill Elementary during the fiscal year 2016. Findings from the audit report show there are missing items that were surplus.

The following measures will take place to assure policies and procedures are in compliance to the property and inventory guidelines. The following **Corrective Action Plan** will be in place effective immediately:

**Property and Inventory Team**

- **TLC**
- **Principal**
- **Assistant Principal**
- **Head Facilities**
- **Office Manager**
- **Teacher Representative**
- **Teacher Assistant**
- **Clerical Representative**

- 1.) The principal will designate a property and inventory team. The team will attend the training on Inventory Process and Tips offered by the Information and Technology Department.
- 2.) The principal will also attend the training and review the Practice Bulletin O-100: Procedures for Property and Inventory Control.
- 3.) The faculty will be trained on the procedures for safeguarding all tangible personal property.
- 4.) A minimum of two inventories will be conducted to ensure the District's property records are accurately maintained and updated. All updated items on the 3290A forms will be reviewed using the inventory and property guidelines. The Principal, Assistant Principal and a designated person from the team will review all 3290A forms before final signing off of items. The report from each inventory will be sent to the Cadre Director.

PAGE TWO  
AUDIT REPORT ON PROPERTY INVENTORY - RESPONSE  
CASTLE HILL ELEMENTARY SCHOOL

- 1.) Quarterly meetings with the Property and Inventory team will be conducted to review procedures and most recent reports.
- 2.) The Property and Inventory Binder will be revised to include:
  - PNI inventory
  - PNI inventory updates for Castle Hill
  - New purchase invoices or information with serial numbers
  - Signed and dated property passes
  - Missing/Stolen Police Reports
  - Surplus, transfer in and out forms
  - Vendor information
  - A copy of room inventory checklist
  - Laptop cart inventory/ student assignment list

Quarterly Checkpoint Calendar:

First Quarter- October 24-28  
Second Quarter- January 9-13  
Third Quarter – March 20-24  
Fourth Quarter- May 15-June 1<sup>st</sup>

**Quarterly checkpoints will include:**

\_\_\_\_\_ Review Binder  
\_\_\_\_\_ PNI Inventory  
\_\_\_\_\_ Room Inventory checklist  
\_\_\_\_\_ Semi-annual property and inventory audit (October and March)

My goal is to correct the negative issues that have occurred with the property and Inventory findings. The above process will initiate better internal controls, processes and procedures to minimize employee errors and safeguard the school inventory. With the Corrective Action Plan in place and consistent monitoring, I am positive that the above issues will not occur in the future.

**School Name: Driftwood Middle 0861**

**Principal: Steven Williams**

**Address: 2751 North 70<sup>th</sup> Terrace  
Hollywood, FL 33024**

Total Number of Items in Inventory:	778
Total Dollar Cost of Items in Inventory:	\$1,019,161
Total Number of Items Unaccounted for:	12
Total Dollar Cost of Items Unaccounted for:	\$24,164
Total Net Value of Items Unaccounted for:	\$0
Percentage of Dollar Cost of Items Unaccounted for:	2.4%

### **Finding**

A review of all property and inventory was performed by the Office of the Chief Auditor (OCA). The OCA identified several weaknesses related to the fixed assets physical inventory processes and related internal controls that did not meet the District's policies and procedures.

The Principal was unable to account for 12 of the 778 fixed assets. The Principal's response indicated that 11 of the 12 fixed assets listed on the Missing List Report are lost/unaccounted for. In addition, the CCTV Surveillance equipment, which was originally purchased in fiscal year 2005, that was acquired by the school (see Exhibit C) could not be identified during the audit. The school acquired the equipment when a memo issued by Accounting and Financial Reporting Department – Capital Assets was sent to all schools/locations in order to be in compliance with the Auditor General's recommendation regarding fixed assets that had been excluded from the District's PNI811 asset list report. Due to the length of time since the purchase, the invoices and installation paperwork could not be found. The vendor, Holb Sierra, was contacted in an attempt to obtain paperwork that would itemize the list of equipment purchased in 2005; however, they also could not provide paperwork dated that far back. Due to the lack of paperwork, the OCA was not able to verify the CCTV Surveillance equipment.

Internal controls for tracking and safeguarding assets should be strengthened. Records were not provided by the school to confirm that the school was conducting semi-annual property and inventory self-audits. Non-compliance with policies and procedures for fixed assets leaves the District vulnerable to undetected employee errors and theft or misuse of assets. The school displayed weaknesses in the controls to safeguard fixed assets.

**(Driftwood Middle continued)**

**Recommendation**

The Office of the Chief Auditor suggests reconciliation of all assets be completed as often as needed to ensure an accurate physical accounting of site designated assets by the staff. The Principal should ensure the accounting of assets is completed semi-annually in order to comply with policies and procedures.

The Office of the Chief Auditor recommends the Principal register the designated property team member(s) for the Inventory Process & Tips training offered by the Information & Technology Department. In addition, the Principal should review Business Practice Bulletin O-100: Procedure for Property and Inventory Control with the designated property team member(s) to ensure compliance with all policies and procedures. The following internal control area(s) require improvement.

- The locations must take appropriate measures to ensure the safekeeping of all tangible personal property.
- At a minimum, semi-annual inventories should be conducted to certify the District's property records are accurately maintained and updated. This should include the high-risk property items, that are not included in the Master File database.
- The location should improve its processes for completing the 3290A Surplus Declaration Transfer forms after tangible personal property has been recognized as salvageable equipment.
- All obsolete or damaged equipment should be stored in a secure location until it is picked up by Warehousing Services. Warehousing Services will issue the property custodian a work order certifying the removal of equipment from their location.

**Office of the Chief Auditor's Response to Principal's Response**

Subsequent to the audit, the Principal's audit exception response indicated that three laptops listed on the Missing List Report had been found. In addition, the Principal indicated that the clarinet that was unaccounted for had been sent out for repair and the serial number had been rubbed off during the repair. The Property

**(Driftwood Middle continued)**

and Inventory Audit Manager returned to the school October 28, 2016, to account for the found laptops and examine the clarinet.

The Property and Inventory Audit Manager accounted for the 3 laptops during the revisit. The laptops will be noted as found and will remain in the school property and inventory Master File database. Also during the visit, the clarinet was examined. A copy of the repair/work order issued by the vendor when the clarinet was sent out for repair was requested. A copy of the repair work order should have the serial number listed and can be used as a reference. The music director was not available and the school indicated that a copy would be provided when he returned. The repair paperwork has not been provided as of November 8, 2016. A second request has been submitted to the school to request the paperwork.

The LCD projector mentioned in the Principal's audit exception response will remain on the Missing List Report because it is unaccounted for. The projector had been accounted for during a previous audit and added as a New/Found asset. The school failed to follow procedures because the projector had not been added/posted to the Master File database. During the October 28, 2016 meeting, the Micro-Computer Tech indicated that the projector was probably surplus and the proper paperwork was not completed.

Lastly, the Property and Inventory Audit Manager was able to provide the school information in an effort to prevent audit findings from occurring in the future. A lengthy conversation was had with the Principal regarding policies and procedures and additional resources and recommendation were provided during the conversation.



**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA**  
**The Office of the Chief Auditor**  
**Property Division**  
**2016-17**

**Items not accounted for: Driftwood Middle School 0861**

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST
1 10-03750	APPLE MACBOOK 2.1 GHZ W/DVD	\$ 1,418.00
2 05LL01201	LEXMARK REFRESH PRINTER - T640N	\$ 1,099.66
3 05-30092	SYSTEM, SURVEILLANCE CCTV	\$ 4,896.00
4 02-03186	SYSTEM, EVALUATION 620	\$ 4,895.00
5 00-00577	CLARINET, SOPRANO BB	\$ 1,409.00
6 96-48473	PRESENTER, VISUAL ELMO EV	\$ 3,400.00
7	PROJECTOR, LCD SHARP (SER# 104316506)	\$ 3,056.00
8	LAPTOP, APPLE MACBOOK (SER# 452170V6F5W) <sup>[2]</sup>	\$ 899.00
9	LAPTOP, DELL E5420 (SER# 3VD1CT1) <sup>[2]</sup>	\$ 841.24
10	LAPTOP, DELL E5430 (SER# HVMZ8W1) <sup>[2]</sup>	\$ 750.00
11	LAPTOP, DELL E5430 (SER# JM2Z8W1) <sup>[2]</sup>	\$ 750.00
12	LAPTOP, DELL E5430 (SER# 4TZY8W1) <sup>[2]</sup>	\$ 750.00
Total Historical Cost of Property unaccounted for as of September 15, 2016		\$ 24,163.90
<sup>[1]</sup> Total Accumulated Depreciation as of September 15, 2016		\$ 24,163.90
Net Value of Property considered to be unaccounted for as of September 15, 2016		<u>\$ -</u>

*[1] Based upon class life used by the Accounting and Financial Reporting Department*

*[2] High-risk items unaccounted for*

# Broward Cty Schools Capital Assets



NEWDOC



AG Report

Location # 0861

Date: October-08-2014

**AUDITOR GENERAL - EXCLUDED ASSET REPORT**  
**0861 - DRIFTWOOD MIDDLE**

LOC	BPI	BPI DESCRIPTION	COST	NET BOOK VALUE	PROJECT	ACQUIRED DATE	SERIAL #	FOUND	SERIAL NUMBER
0861	75-04223	MODULE, SOUND (0861)	3,547.00	-	N/A	07/30/74		<input checked="" type="checkbox"/>	
0861	81-10986	CENTER, CAREER GOULD (0861)	5,455.30	-	N/A	05/15/80		<input checked="" type="checkbox"/>	
0861	85-15878	SET, PIT HIGH JUMP AP-25 (0861)	1,175.00	-	N/A	12/21/84		<input checked="" type="checkbox"/>	
0861	98-13999	CENTER, WORK MOBILE (0861)	2,625.00	-	N/A	09/08/98		<input checked="" type="checkbox"/>	
0861	98-14000	MODULE, BROADCASTING (0861)	2,725.00	-	N/A	09/08/98		<input checked="" type="checkbox"/>	
0861	98-15215	TUNNEL, WIND FLO SMOKE (0861)	1,485.00	-	N/A	09/10/98		<input checked="" type="checkbox"/>	
0861	98-15216	UPDATE, 5-IBM RACE DOS3.5 (0861)	2,340.00	-	N/A	09/10/98		<input checked="" type="checkbox"/>	
0861	99-04720	MODULE, BIOSPHERE (0861)	3,304.90	-	N/A	05/07/99		<input checked="" type="checkbox"/>	
0861	01-17601	SCRUBBER, FLOOR N. AMERICAN TT8345	2,420.00	-	N/A	03/22/01		<input checked="" type="checkbox"/>	
0861	01-80976	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80977	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80978	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80979	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80980	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80981	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80982	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80983	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80984	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80985	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80986	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80987	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80988	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80989	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80990	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80991	WORKSTATION (0861)	1,715.00	-	N/A	06/05/01		<input checked="" type="checkbox"/>	
0861	01-80992	WORKSTATION (0861)	1,050.00	-	N/A	05/05/01		<input checked="" type="checkbox"/>	
0861	02-80243	CARREL (0861)	1,066.00	-	N/A	08/23/01		<input checked="" type="checkbox"/>	
0861	02-80244	CARREL (0861)	1,066.00	-	N/A	08/23/01		<input checked="" type="checkbox"/>	
0861	02-80245	CARREL (0861)	1,066.00	-	N/A	08/23/01		<input checked="" type="checkbox"/>	
0861	02-80246	CARREL (0861)	1,066.00	-	N/A	08/23/01		<input checked="" type="checkbox"/>	
0861	02-80247	CARREL (0861)	1,066.00	-	N/A	08/23/01		<input checked="" type="checkbox"/>	
0861	02-80248	CARREL (0861)	1,066.00	-	N/A	08/23/01		<input checked="" type="checkbox"/>	
0861	02-80249	CARREL (0861)	1,066.00	-	N/A	08/23/01		<input checked="" type="checkbox"/>	
0861	02-80250	CARREL (0861)	1,066.00	-	N/A	08/23/01		<input checked="" type="checkbox"/>	
0861	02-80251	CARREL (0861)	1,066.00	-	N/A	08/23/01		<input checked="" type="checkbox"/>	
0861	02-80252	CARREL (0861)	1,066.00	-	N/A	08/23/01		<input checked="" type="checkbox"/>	
0861	02-80253	CARREL (0861)	1,066.00	-	N/A	08/23/01		<input checked="" type="checkbox"/>	
0861	02-80254	CARREL (0861)	1,066.00	-	N/A	08/23/01		<input checked="" type="checkbox"/>	
0861	02-80293	SYSTEM, EVALUATION (0861)	4,895.00	-	N/A	09/04/01		<input checked="" type="checkbox"/>	
0861	02-80294	SYSTEM, EVALUATION (0861)	4,895.00	-	N/A	09/04/01		<input checked="" type="checkbox"/>	
0861	02-80295	SYSTEM, EVALUATION (0861)	4,895.00	-	N/A	09/04/01		<input checked="" type="checkbox"/>	
0861	02-80296	SYSTEM, EVALUATION (0861)	4,895.00	-	N/A	09/04/01		<input checked="" type="checkbox"/>	
0861	03-22609	TABLE (0861)	1,145.32	-	N/A	06/30/03		<input checked="" type="checkbox"/>	
0861	03-82762	TABLE (0861)	1,145.32	-	N/A	06/30/03		<input checked="" type="checkbox"/>	
0861	03-82763	TABLE (0861)	1,145.32	-	N/A	06/30/03		<input checked="" type="checkbox"/>	

**COMPLETED**

BPI = Asset Identifier  
 Net Book Value = Depreciated value  
 Project = Grant purchased

PNI \_\_\_\_\_  
 Date 10-10-04  
 Initials [Signature]

1) If different, provide the correct serial number.  
 2) Email file(s) to the Capital Assets Conference.

**AUDITOR GENERAL - EXCLUDED ASSET REPORT**  
**0861 - DRIFTWOOD MIDDLE**

LOC	BPI	BPI DESCRIPTION	COST	NET BOOK VALUE	PROJECT	DATE	SERIAL #	FOUND	SERIAL NUMBER
0861	04-18658	UTILITY TABLES	1,170.00	526.50	N/A	06/03/04		<input type="checkbox"/>	
0861	04-18659	UTILITY TABLES	1,170.00	526.50	N/A	06/03/04		<input checked="" type="checkbox"/>	
0861	05-27297	CASE, DISPLAY WALL MOUNT (0861)	1,375.06	-	N/A	08/18/04		<input checked="" type="checkbox"/>	
0861	05-27301	FURNITURE	1,762.04	881.02	N/A	08/18/04		<input checked="" type="checkbox"/>	
0861	05-30092	SYSTEM, SURVEILLANCE CCTV (0861)	4,896.00	-	N/A	09/14/04		<input checked="" type="checkbox"/>	10NT
0861	05-37975	UNIT, WALL OUTDOOR TRAVERSE (0861)	4,999.00	-	N/A	11/18/04		<input checked="" type="checkbox"/>	
<b>DRIFTWOOD MIDDLE TOTAL</b>			<b>107,167.26</b>	<b>1,934.02</b>					
<b>0861 - DRIFTWOOD MIDDLE TOTAL</b>			<b>107,167.26</b>	<b>1,934.02</b>					

Signature: Steven Williams  
 Print Name: Steven Williams  
 Date: 9/24/14

RECEIVED  
 ACCOUNTING & FINANCIAL  
 REPORTING DEPARTMENT  
 2014 OCT - 8 PM 2: 13  
 THE SCHOOL BOARD OF  
 BROWARD COUNTY, FLORIDA

1) If different, provide the correct serial number.  
 2) Email file(s) to the Capital Assets Conference.

BPI = Asset Identifier  
 Net Book Value = Depreciated value  
 Project = Grant purchased

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA  
OFFICE OF SCHOOL PERFORMANCE & ACCOUNTABILITY**

**VALERIE S. WANZA, Ph.D.  
CHIEF OFFICER**

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October 24, 2016

TO: Patrick Reilly  
Chief Auditor

FROM: Valerie S. Wanza, Ph.D.  
Chief School Performance & Accountability Officer

SUBJECT: **PROPERTY AND INVENTORY AUDIT RESPONSE –  
DRIFTWOOD MIDDLE SCHOOL**

This correspondence acknowledges receipt and review of the findings from the FY 2016-17 property and inventory audit for Driftwood Middle School. In addition to the corrective measures that the principal is instituting, the Office of School Performance & Accountability will provide the following support and oversight in assisting the school in this area:

- The cadre director will follow-up with the principal to ensure the micro-technology specialist and other individuals on the asset management team attend the Inventory Process & Tips training and support related to asset management.
- The cadre director will work with the principal to ensure the school has an established asset management team that meets regularly to review the school's compliance with District policies and Business Practice Bulletin O-100 related to property and inventory controls, conduct regular site-based audits, and amend the school's property and inventory protocols as needed.
- The cadre director will work with the principal to ensure appropriate precautions are in place to safeguard and track all high risk items such as laptops that have a unit value less than \$1000. The school will maintain records of these high-risk items within a secondary, site-based tracking database.
- The cadre director will work with the principal to ensure the surplus process is followed, including the completion of the 3290A Surplus Declaration Transfer form as well as a designated secure location until the items are picked up by the Warehouse Department.
- The cadre director will include a review of the asset management protocols in her regularly scheduled site visits with the principal including a review of inventory assessments and reconciliations.

The Office of School Performance & Accountability recognizes the seriousness of this matter. We will work to ensure that this school develops, implements and monitors sound business practices that should prevent further occurrences of this nature. If I may be of additional assistance, please contact me at 754-321-3838.

VSW/CS:ca

cc: Christine Semisch, School Performance & Accountability Director  
Steven Williams, Principal, Driftwood Middle School



**Driftwood Middle**  
Steven J. Williams, Principal  
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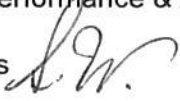
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October 17, 2016

TO: Dr. Valerie Wanza  
Chief of School Performance & Accountability

FROM: Steven J. Williams   
Principal

SUBJECT: **AUDIT REPORT RESPONSE**

A School Property and Inventory Audit was conducted on June 27<sup>th</sup>, 2016 at Driftwood Middle. The inventory audit documented twelve unaccounted items totaling \$24,163.90. Since the audit, three laptops were located and are present at the school. The laptops that were found are serial numbers: **Dell E5420-#3VD1CT1, Dell E5430-#HVMZ8W1, Dell E5430-#JM2Z8W1.** The clarinet is also present at the school as was accepted by the auditor, who understood that the serial number was rubbed off due to repair. Also, unaccounted for is a projector, LCD Sharp SER#104316506 which is not part of the school's property and inventory database, nor, according to the Capital Assets Department, is there a projector with that serial number located on any school district property and inventory database. The inventory final report also identifies the school surveillance system as being missing. The school does have a surveillance system however, due to the inability to obtain documentation from the district and the vendor the serial number on this surveillance system cannot be verified.

The following procedures will be implemented to address any discrepancies and to ensure they do not occur in the future:

- 1) An Inventory Team with members representing administration, leadership team, custodial, and office personnel will meet monthly to monitor the school's inventory and documentation.
- 2) Our location's Inventory Team will conduct a semi-annual property and inventory assessment and the results will be reviewed with the Principal and then forwarded to the Director.
- 3) Each teacher/staff member will have a room inventory checklist posted in his or her classroom/offices. Items are to remain in the assigned area unless approved by the Principal and the Micro Computer Technician for removal or relocation.
- 4) Serial numbers and equipment locations will be accurately maintained in the inventory binder.

- 5) The school's location database will be maintained by the Micro Computer Technician and stored in the school's inventory binder, located in the Micro Computer Technician's office. The location database will be monitored monthly by administration and the Inventory Team for accuracy.
- 6) When inventory is surplus or transferred to another location, a 3290 form must be filled out and signed by the principal. All 3290 forms will be placed in the inventory binder, which will be maintained and monitored by the Micro Computer Technician, Administration and the Inventory Team.
- 7) The Micro Computer Technician will delete surplus items from the location database. The school's location database will be monitored monthly by the Micro Computer Technician and Administration to ensure that Capital Assets removes the surplus items from the PNI 811 Database that is maintained by the district.
- 8) All obsolete or damaged equipment will be stored in a secure location until it is picked up by the Warehouse Department. Upon pickup a work order certifying the removal of the equipment will be obtained by the Warehouse Department.
- 9) Our Micro Computer Technician, Bookkeeper/Budgetkeeper, and designated property team members will attend the Inventory Process and Tips training offered by the Information & Technology Department.
- 10) Business Practice Bulletin O-100: Procedures for Property and Inventory Control and procedures.

I understand the seriousness of the accurate account and security of all district items. I am very confident that the above actions will ensure compliance with School Board policies, procedures, and Standard Practice Bulletins and result in accounting for all property and inventory assigned to Driftwood Middle School.