

INTERNAL AUDIT REPORT

Property and Inventory Audits of Selected Locations

2018- 2019



To be presented to the:

**Audit Committee on
August 9, 2018**

and

**The School Board of Broward County, Florida on
September 5, 2018**

By

The Office of the Chief Auditor



The School Board of Broward County, Florida

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Heather P. Brinkworth, Vice Chair

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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
Joris M. Jabouin, Chief Auditor

The School Board of Broward County, Florida

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Superintendent of Schools

August 9, 2018

Members of the School Board of Broward County, Florida
Members of the Audit Committee of the School Board of Broward County, Florida
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,
items which have been declared surplus or obsolete and are supported by the proper District forms and,
items which have been purchased and are verified to be in compliance with appropriate purchasing guidelines.

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

This report contains twenty-seven (27) property and inventory audits. Our property audits indicated that twenty-two (22) locations in the report complied with prescribed policies and procedures. Five (5) locations 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,

Joris M. Jabouin, 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 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.
- items which have been purchased and are verified to be in compliance with appropriate purchasing guidelines.

Compliance

We tested compliance with policies and procedures prescribed by School Board Policies and Business Practice Bulletin O-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.

Property Control Structure

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

- internal property control procedure 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.

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 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 June 22, 2017, 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 tangible personal property valued at \$1,000 or more and trackable SMART tangible personal property that has an acquisition value less than \$1,000, is considered high risk and prone to theft and has at least one year useful life and is not consumable in nature. In addition, any tangible personal property identified during the audit that has not yet been added to the District's Master File database is categorized as a New/Found item. If the New/Found item has an acquisition cost of \$1,000 or more, the location must process all necessary paperwork and forward it to AFRD-CA to have the item(s) added to the District's Master File database. If the equipment is certified by the OCA to have an acquisition cost less than \$1,000, the location(s) does not have to submit the supporting paperwork to AFRD-CA; however, the item(s) will be included in all future audits until it is deemed obsolete and surplus and/or transferred to a different location. The District administration requires follow-up verification of all items not accounted for during the physical audit. Subsequently, location administrators must provide a memo identifying the items found by providing the room/FISH number and/or demonstrate the appropriate District approved form(s).

Unaccounted / Found Items

While conducting the audit, there are instances in which items are determined to be unaccounted for. Unaccounted for means property held by a custodian, subject to the accountability provisions of Section 274.03, F.S., which cannot be physically located by the custodian or custodian delegate, which property has not been otherwise lawfully disposed of. When the Office of the Chief Auditor determines that the item(s) is not accounted for, the asset is moved to an Unaccounted for Tangible Personal Property List. This item will remain designated on the Unaccounted for 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-CA 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-CA to add these property items to the Master File of Capital Assets database.

Summary of Property and Inventory Review for Fiscal Year 2018-19

The following report discloses the audit results for 27 locations. These audits were finalized between May 2, 2018 through July 31, 2018. A summary of this report notes that:

- For the 27 locations, items were listed in the property records at a historical cost of \$34,170,600.
- For the 27 locations included in this report, 215 items were considered unaccounted for and had a historical cost of \$312,168.

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 May 2, 2018 through July 31, 2018. 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 Unaccounted For (INAF)	Historical Cost (INAF)		No Exception/Exception	Page No.
					Not Physically Accounted for	Out of Compliance		
School	Country Hills Elementary	814	\$791,146	1	\$1,000	0	No Exception	
School	Flamingo Elementary	852	\$589,447	0	0	0	No Exception	
School	Hollywood Central Elementary	790	\$660,829	2	\$6,365	0	No Exception	
School	Lake Forest Elementary	850	\$647,517	1	\$1,840	0	No Exception	
School	Lauderhill Paul Turner Elementary	734	\$860,920	0	0	0	No Exception	
School	C. Robert Markham Elementary	677	\$795,830	6	\$3,959	\$6,089	Exception	Pgs. 15-19
School	Meadowbrook Elementary	975	\$609,304	5	\$3,057	0	No Exception	
School	Nova Blanche Forman Elementary	761	\$572,786	4	0	\$5,601	No Exception	
School	Oakridge Elementary	950	\$567,042	5	\$3,970	0	No Exception	
School	Panther Run Elementary	755	\$706,123	0	0	0	No Exception	
School	Plantation Park Elementary	620	\$440,143	1	0	\$1,055	No Exception	
Sub Total		8,778	\$7,241,087	25	\$20,191	\$12,745		

Area	Name	Total Items	Historical Cost	Items Unaccounted For (INAF)	Historical Cost (INAF)		No Exception/ Exception	Page No.
					Not Physically Accounted for	Out of Compliance		
School	Royal Palm Elementary	704	\$584,723	1	\$1,972	0	No Exception	
School	Sawgrass Elementary	910	\$608,013	0	0	0	No Exception	
School	Virginia Shuman Young Montessori	856	\$520,361	10	\$15,123	0	Exception	Pgs. 20-27
School	West Hollywood Elementary	989	\$768,851	0	0	0	No Exception	
School	Westchester Elementary	840	\$745,952	1	\$1,099	0	No Exception	
School	Bair Middle	899	\$659,620	0	0	0	No Exception	
School	Seminole Middle	1,090	\$1,041,426	0	0	0	No Exception	
School	Deerfield Beach High	2,700	\$2,908,268	3	\$2,526	0	No Exception	
School	Hollywood Hills High	2,846	\$2,504,321	60	\$81,873	0	Exception	Pgs. 28-32
School	J.P. Taravella High	2,790	\$2,936,122	79	\$33,768	\$82,408	Exception	Pgs. 33-36
School	South Broward High	2,693	\$1,970,988	25	\$46,747	\$899	Exception	Pgs3. 37-40
School	Lauderhill 6-12	735	\$924,793	2	0	\$2,060	No Exception	
School	Community School North	973	\$645,584	3	\$2,224	0	No Exception	
Sub Total		19,025	\$16,819,022	184	\$185,332	\$85,367		

Area	Name	Total Items	Historical Cost	Items Unaccounted For (INAF)	Historical Cost (INAF)		No Exception/ Exception	Page No.
					Not Physically Accounted for	Out of Compliance		
School	Sheridan Technical College	3,753	\$9,623,013	5	0	\$7,139	No Exception	
Department	Innovative Learning	103	\$172,396	0	0	0	No Exception	
Department	Office of Academics	158	\$315,082	1	\$1,394	0	No Exception	
Sub Total		4,014	\$10,110,491	6	\$1,394	\$7,139		

Grand Total	31,817	\$34,170,600	215	\$206,917	\$105,251	22 No Exceptions 5 Exceptions
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Audits Performed by:

**Ashley Acevedo
Merlin Butler
Bryan Erhard
Thomas Martens
Arsenio Mobley
Bruce Norris
Stephanie Ormsby
Jonathan Tolentino**

Audits Processed by:

Megan Gonzalez

Audits Managed by:

Ali Arcese

SECTION II:
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

Flamingo Elementary

Lauderhill Paul Turner Elementary

Panther Run Elementary

Sawgrass Elementary

West Hollywood Elementary

Bair Middle

Seminole Middle

Innovative Learning

SECTION III:
Property and Inventory Audit Summary Detail

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

The Office of the Chief Auditor

Property Division

2017-2018

C. Robert Markham Elementary (1671)

Tangible Personal Property Unaccounted For

Finding 1: Missing Equipment

Area out of compliance

BPB O-100: Procedure for Property and Inventory Control

General: Property custodian must take appropriate precautions to safeguard and track all tangible personal property.

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST	ALLOWABLE DEPRECIATION ^[1]	VALUE	MANAGEMENT RESPONSE
1 07-070709	LEXMARK X4600 MFP T640	\$ 3,959.00	\$ 3,959.00	\$ -	Missing

Finding 2: Surplus of Tangible Personal Property

Equipment was removed during the SMART surplus; however, the school did not complete the District's approved forms (3290A Surpluse Declaration Transfer Forms) required.

Area out of Compliance

Business Practice Bulletin O-100: Procedure for Property

(F) Surplus of Tangible Personal Property

(2)The location should complete a 3290A Surplus/Transfer Declaration Form to identify the tangible personal property to be salvaged.

(4)The location should make a copy of the 3290A Surplus/Transfer Declaration Form(s) for their record and forward the

(5)The Warehouse will arrange to pick-up the tangible personal property designated for surplus from the applicable location. A work order document will

(9)The property custodian should verify that the property records have been removed from the PNI811 report by running the report in SAP.

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST	ALLOWABLE DEPRECIATION ^[1]	VALUE	MANAGEMENT RESPONSE
2 08-04322	APPLE DESKTOP IMAC INTEL	\$ 1,099.00	\$ 1,099.00	\$ -	Surplused
3 08-04328	APPLE DESKTOP IMAC INTEL	\$ 1,099.00	\$ 1,099.00	\$ -	Surplused
4 R06-01033	APPLE DESKTOP EMAC G4 W/17'	\$ 1,100.00	\$ 1,100.00	\$ -	Surplused
5 05LA12048	Apple-Refresh Laptop	\$ 1,395.62	\$ 1,395.62	\$ -	Surplused
6 05LA12054	Apple-Refresh Laptop	\$ 1,395.62	\$ 1,395.62	\$ -	Surplused

Total Historical Cost of Property unaccounted for as of May 2, 2018 \$ 10,048.24

^[1]Total Accumulated Depreciation as of May 2, 2018 \$ 10,048.24

Net Value of Property considered unaccounted for as of May 2, 2018 \$ -

[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

2017-2018

Virginia Shuman Young Montessori (3321)

Tangible Personal Property Unaccounted For

Finding 1: Missing Equipment

Area out of compliance

BPB O-100: Procedure for Property and Inventory Control

General: Property custodian must take appropriate precautions to safeguard and track all tangible personal property.

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST	ALLOWABLE DEPRECIATION ^[1]	VALUE	MANAGEMENT RESPONSE
1 R07-84236	COMPUTER MACBOOK	\$ 1,485.00	\$ 1,485.00	\$ -	No Response Provided
2 07-03263	DELL,DESKTOP,PENTIUM 4	\$ 1,021.00	\$ 1,021.00	\$ -	No Response Provided
3 06-00612	DELL,DESKTOP,P4, WS370 W/17" FLAT	\$ 1,622.00	\$ 1,622.00	\$ -	No Response Provided
4 06-00613	DELL,DESKTOP,P4, WS370 W/17" FLAT	\$ 1,622.00	\$ 1,622.00	\$ -	No Response Provided
5 05LA00173	SERVER,XSERVE SUPPORT	\$ 3,021.23	\$ 3,021.23	\$ -	Surplussed
6 06-00603	PROJECTOR,EPSON	\$ 1,154.00	\$ 1,154.00	\$ -	No Response Provided
7 05LL03996	Lexmark Refresh Printer-T640n	\$ 1,099.66	\$ 1,099.66	\$ -	Surplussed
8	Lexmark,All in One (Ser#7005776) ⁽²⁾	\$ 1,099.65	\$ 1,099.65	\$ -	Surplussed
9	Computer, Laptop Apple (Ser#W87245FVYA2) ⁽²⁾	\$ 1,499.00	\$ 1,499.00	\$ -	Surplussed
10	Computer, Laptop Apple (Ser# W87245EBYA2) ⁽²⁾	\$ 1,499.00	\$ 1,499.00	\$ -	Surplussed

Total Historical Cost of Property unaccounted for as of May 2, 2018 \$ 15,122.54

^[1]Total Accumulated Depreciation as of May 2, 2018 \$ 15,122.54

Net Value of Property considered unaccounted for as of May 2, 2018 \$ -

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

[2] High-risk items unaccounted for

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

The Office of the Chief Auditor

Property Division

2017-2018

Hollywood Hills High (1661)

Tangible Personal Property Unaccounted For

Finding 1: Missing Equipment

Area out of compliance

BPB O-100: Procedure for Property and Inventory Control

General: Property custodian must take appropriate precautions to safeguard and track all tangible personal property.

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST	ALLOWABLE DEPRECIATION ^[1]	VALUE	MANAGEMENT RESPONSE	
1	15-02986	ACTIVEXPRESSION 32 HANDSETS	\$ 1,639.00	\$ 936.57	\$ 702.43	No Response Provided
2	15-02987	ACTIVEXPRESSION 32 HANDSETS	\$ 1,639.00	\$ 936.57	\$ 702.43	No Response Provided
3	15-02988	ACTIVEXPRESSION 32 HANDSETS	\$ 1,639.00	\$ 936.57	\$ 702.43	No Response Provided
4	12-02499	Laptop,Dell Latitude	\$ 1,279.00	\$ 1,279.00	\$ -	No Response Provided
5	12-02713	DELL OPTIPLEX 790 W/19" ALL IN	\$ 1,015.00	\$ 1,015.00	\$ -	No Response Provided
6	09-11028	DELL E6400 W/DVD+/-RW14.1"	\$ 1,470.00	\$ 1,470.00	\$ -	No Response Provided
7	08-09460	APPLE MACBOOK 2.16GHZ W/DVD+-	\$ 1,706.00	\$ 1,706.00	\$ -	No Response Provided
8	08-12514	DELL DESKTOP 745T W/19" FLAT	\$ 1,096.00	\$ 1,096.00	\$ -	No Response Provided
9	08-12466	PRINTER HP BUSINESS INKJET	\$ 1,026.18	\$ 1,026.18	\$ -	No Response Provided
10	08-00065	PRINTER LEXMARK T640N B/W	\$ 1,198.00	\$ 1,198.00	\$ -	No Response Provided
11	07-10542	DELL LAPTOP D620 W/CD-	\$ 1,488.00	\$ 1,488.00	\$ -	No Response Provided
12	07-05475	PANASONIC MINI DV COMCORDER	\$ 1,199.95	\$ 1,199.95	\$ -	No Response Provided
13	07-03412	CAMCORDER,PANASONIC AG-	\$ 1,768.00	\$ 1,768.00	\$ -	No Response Provided
14	07-83552	QMX INK MATCHING SYSTEM	\$ 1,015.00	\$ 1,015.00	\$ -	No Response Provided
15	07-80175	TROMBONE,CONN MODEL B8797	\$ 1,722.60	\$ 1,722.60	\$ -	No Response Provided
16	05LD03642	Dell-Refresh Laptop	\$ 1,418.35	\$ 1,418.35	\$ -	No Response Provided
17	05LD03693	Dell-Refresh Laptop	\$ 1,418.35	\$ 1,418.35	\$ -	No Response Provided
18	05LD03744	Dell-Refresh Laptop	\$ 1,418.35	\$ 1,418.35	\$ -	No Response Provided
19	05LD03927	Dell-Refresh Laptop	\$ 1,418.35	\$ 1,418.35	\$ -	No Response Provided
20	05LA29736	Apple-Refresh Laptop	\$ 1,395.62	\$ 1,395.62	\$ -	No Response Provided
21	05LL02064	Lexmark Refresh Printer-T640n	\$ 1,099.66	\$ 1,099.66	\$ -	No Response Provided
22	05LL02078	Lexmark Refresh Printer-T640n	\$ 1,099.66	\$ 1,099.66	\$ -	No Response Provided
23	05-50826	HP PROCURVE 2650	\$ 1,229.00	\$ 1,229.00	\$ -	No Response Provided
24	05-41717	Computer,Apple	\$ 1,849.00	\$ 1,849.00	\$ -	No Response Provided
25	05-41716	Computer,Apple	\$ 1,485.00	\$ 1,485.00	\$ -	No Response Provided
26	R05-50380	APPLE ,DESKTOP IMAC G5/W17"	\$ 1,485.00	\$ 1,485.00	\$ -	No Response Provided
27	R05-48292	DELL,DESKTOP PETIUM 4 W/15"	\$ 1,123.00	\$ 1,123.00	\$ -	No Response Provided
28	R05-42476	APPLE,DESKTOP IMAC G5/W17"	\$ 1,485.00	\$ 1,485.00	\$ -	No Response Provided
29	05-39135	RECORDER,VIDEO TAP (VTR) LOW	\$ 1,499.49	\$ 1,499.49	\$ -	No Response Provided
30	05-38642	PROJECTOR,CLASSROOM FOR A	\$ 1,154.23	\$ 1,154.23	\$ -	No Response Provided
31	02-07588	PRINTER,LEXMARK T520N	\$ 1,258.00	\$ 1,258.00	\$ -	No Response Provided
32	R02-07562	PRINTER,LEXMARK T520N	\$ 1,258.00	\$ 1,258.00	\$ -	No Response Provided
33	02-06491	COMPUTER,DELL GX150	\$ 1,343.25	\$ 1,343.25	\$ -	No Response Provided
34	02-06501	COMPUTER,DELL GX151	\$ 1,343.25	\$ 1,343.25	\$ -	No Response Provided
35	02-06502	COMPUTER,DELL GX152	\$ 1,343.25	\$ 1,343.25	\$ -	No Response Provided
36	02-04237	CART,GOLF CARRYALL 2E	\$ 4,465.00	\$ 4,465.00	\$ -	No Response Provided
37	00-03876	PROJECTOR,SVGA COMPACT,SHARP	\$ 3,192.60	\$ 3,192.60	\$ -	No Response Provided
38	00-01513	CART, GOLF MODEL XT-500 EZ-GO	\$ 3,450.00	\$ 3,450.00	\$ -	No Response Provided
39	A98-90721	CAMCORDER PANASONIC	\$ 1,099.00	\$ 1,099.00	\$ -	No Response Provided
40	A98-90723	CAMCORDER PANASONIC	\$ 1,099.00	\$ 1,099.00	\$ -	No Response Provided
41	R96-96026	TROMBONE	\$ 2,199.00	\$ 2,199.00	\$ -	No Response Provided
42	95-48248	MACHINE ICE CUBED SCOTMAN	\$ 1,297.00	\$ 1,297.00	\$ -	No Response Provided
43	94-28363	SAXOPHONE BARITONE EB	\$ 2,018.00	\$ 2,018.00	\$ -	No Response Provided
44		Laptop,Dell E5420 (Ser# 7PJCYW1) ⁽²⁾	\$ 956.72	\$ 956.72	\$ -	No Response Provided
45		Laptop,Dell E5430 (Ser# G93GBT1) ⁽²⁾	\$ 903.95	\$ 903.95	\$ -	No Response Provided
46		Laptop,Dell E5420 (Ser# JRCCYW1) ⁽²⁾	\$ 841.24	\$ 841.24	\$ -	No Response Provided
47		Laptop,Dell E5430 (Ser# FDRLNX1) ⁽²⁾	\$ 903.95	\$ 903.95	\$ -	No Response Provided
48		Laptop,Dell E5430 (Ser# G93YBT1) ⁽²⁾	\$ 903.95	\$ 903.95	\$ -	No Response Provided
49		Laptop,Dell E5420 (Ser# HCRLNX1) ⁽²⁾	\$ 841.24	\$ 841.24	\$ -	No Response Provided

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

[2] High-risk items unaccounted for

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
The Office of the Chief Auditor
Property Division
2017-2018
Hollywood Hills High (1661)
Tangible Personal Property Unaccounted For

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST	ALLOWABLE DEPRECIATION ^[1]	VALUE	MANAGEMENT RESPONSE
50	Laptop,Dell E5430 (Ser# 9BDKBT1) ⁽²⁾	\$ 903.95	\$ 903.95	\$ -	No Response Provided
51	Computer,Dell Optiplex 7010 (Ser# 27FYXV1) ⁽²⁾	\$ 977.51	\$ 977.51	\$ -	No Response Provided
52	Laptop,Dell E5430 (Ser# DD0S7W1) ⁽²⁾	\$ 903.95	\$ 903.95	\$ -	No Response Provided
53	Computer,Dell GX520 (Ser# 8S3YBB1) ⁽²⁾	\$ 1,236.00	\$ 1,236.00	\$ -	No Response Provided
54	Computer,Laptop Dell E6410 (Ser Num 5RZ25Q1) ⁽²⁾	\$ 973.10	\$ 973.10	\$ -	No Response Provided
55	Computer,Laptop Dell E5420 (Ser# FT036S1) ⁽²⁾	\$ 821.20	\$ 821.20	\$ -	No Response Provided
56	Computer,Laptop Dell E5420 (Ser# FSZY5S1) ⁽²⁾	\$ 821.20	\$ 821.20	\$ -	No Response Provided
57	Computer,Dell 790 (Ser# GNLZ4V1) ⁽²⁾	\$ 862.76	\$ 862.76	\$ -	No Response Provided
58	Computer,Laptop Dell, E5420 (Ser# H11WBT1) ⁽²⁾	\$ 841.24	\$ 841.24	\$ -	No Response Provided
59	Computer,Laptop Dell E5420 (Ser# FSZ16S1) ⁽²⁾	\$ 821.20	\$ 821.20	\$ -	No Response Provided
60	Computer,Lenovo Think Centre (Ser# MJ00VZVK) ⁽²⁾	\$ 516.00	\$ 516.00	\$ -	No Response Provided

Total Historical Cost of Property unaccounted for as of June 1, 2018 \$ 81,873.30
^[1]Total Accumulated Depreciation as of June 1, 2018 \$ 79,766.01
Net Value of Property considered unaccounted for as of June 1, 2018 \$ 2,107.29

*[1] Based upon class life used by the Accounting and Financial Reporting Department
[2] High-risk items unaccounted for*

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

The Office of the Chief Auditor

Property Division

2017-2018

J. P. Taravella High (2751)

Tangible Personal Property Unaccounted For

Finding 1: Missing Equipment

Area out of compliance

BPB O-100: Procedure for Property and Inventory Control

General: Property custodian must take appropriate precautions to safeguard and track all tangible personal property.

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST	ALLOWABLE DEPRECIATION ^[1]	VALUE	MANAGEMENT RESPONSE	
1	16-01033	APPLE MACBOOK PRO 13"	\$ 1,659.00	\$ 663.60	\$ 995.40	Not Located
2	S16002883	LENOVO THINKPAD 11E NONTOUCH	\$ 447.00	\$ 261.05	\$ 185.95	Not Located
3	S16003552	LENOVO THINKPAD X250 NON-	\$ 795.00	\$ 464.28	\$ 330.72	Not Located
4	11-05488	LAPTOP,DELL E6420	\$ 1,168.52	\$ 1,168.52	\$ -	Not Located
5	09-06681	DELL E6400 W/DVD+/-RW 4.1	\$ 1,470.00	\$ 1,470.00	\$ -	Not Located
6	09-00452	LAPTOP MACBOOK PRO	\$ 3,690.00	\$ 3,690.00	\$ -	Not Located
7	07-05200	DELL, LAPTOP,D520 W/CD-RW/DVD	\$ 1,441.00	\$ 1,441.00	\$ -	Not Located
8	05LL02146	Lexmark Refresh Printer-T640n	\$ 1,099.66	\$ 1,099.66	\$ -	Not Located
9	05-35798	DELL,DESKTOP,P4 TOWER	\$ 1,399.00	\$ 1,399.00	\$ -	Not Located
10	03-10239	CUMPUTER,DELL GX260D	\$ 1,036.00	\$ 1,036.00	\$ -	Not Located
11	02-08710	PRINTER, LEXMARK T520N	\$ 1,258.00	\$ 1,258.00	\$ -	Not Located
12	01-80858	CELLO,ROTH	\$ 1,363.00	\$ 1,363.00	\$ -	Not Located
13	97-28338	WINDSOR,COMMODORE CARPET	\$ 4,483.00	\$ 4,483.00	\$ -	Not Located
14	95-22261	REPEATER MOTOROLA DESK TRAC	\$ 2,489.75	\$ 2,489.75	\$ -	Not Located
15		CAMCORDER,SONY DVCAM 3CCD (Ser# 113001) ⁽²⁾	\$ 2,570.00	\$ 2,570.00	\$ -	Not Located
16		COMPUTER,DELL OPTIPLEX GX280 (Ser# 3FX4S61) ⁽²⁾	\$ 815.46	\$ 815.46	\$ -	Not Located
17		Laptop,Apple MacBook(Ser# 451093E1FYN) ⁽²⁾	\$ 968.54	\$ 968.54	\$ -	Not Located
18		Laptop,Apple MacBook (Ser# 451094V7FYN) ⁽²⁾	\$ 968.54	\$ 968.54	\$ -	Not Located
19		Laptop,Apple MacBook (Ser# 451120H9FYN) ⁽²⁾	\$ 970.20	\$ 970.20	\$ -	Not Located
20		Laptop,Apple MacBook (Ser# 451120HQFYN) ⁽²⁾	\$ 970.20	\$ 970.20	\$ -	Not Located
21		Computer,Dell 755 (Ser# 4FSJTF1) ⁽²⁾	\$ 1,096.00	\$ 1,096.00	\$ -	Not Located
22		COMPUTER,DELL OPTIPLEX 390 (Ser# 8JGCMS1) ⁽²⁾	\$ 805.25	\$ 805.25	\$ -	Not Located
23		COMPUTER,DELL OPTIPLEX 390 (Ser# 8JR8MS1) ⁽²⁾	\$ 805.25	\$ 805.25	\$ -	Not Located

Finding 2: Surplus of Tangible Personal Property

Equipment was removed during the SMART surplus; however, the school did not complete the District's approved forms (3290A Surpluse Declaration Transfer Forms) required.

Area out of Compliance

Business Practice Bulletin O-100: Procedure for Property

(F) Surplus of Tangible Personal Property

(2)The location should complete a 3290A Surplus/Transfer Declaration Form to identify the tangible personal property to be salvaged.

(4)The location should make a copy of the 3290A Surplus/Transfer Declaration Form(s) for their record and forward the

(5)The Warehouse will arrange to pick-up the tangible personal property designated for surplus from the applicable location. A work order document will

(9)The property custodian should verify that the property records have been removed from the PNI811 report by running the report in SAP.

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST	ALLOWABLE DEPRECIATION ^[1]	VALUE	MANAGEMENT RESPONSE	
24	12-04402	DELL M6600 W/DVD±RW 17.3"	\$ 2,027.95	\$ 2,027.95	\$ -	Not Located
25	12-00527	DELL E6520 W/DVD+/-RW 15.6"	\$ 1,339.00	\$ 1,339.00	\$ -	Not Located
26	10-03252	DELL E6400 W/DVD+/-RW 14.1	\$ 1,214.39	\$ 1,214.39	\$ -	Not Located
27	09-82228	DELL LAPTOP E6400	\$ 1,491.00	\$ 1,491.00	\$ -	Not Located
28	09-06676	DELL E6400 W/DVD+/-RW 4.1	\$ 1,470.00	\$ 1,470.00	\$ -	Not Located
29	08-12861	DELL DESKTOP 745T W/19" FLAT	\$ 1,096.00	\$ 1,096.00	\$ -	Not Located
30	08-12915	DELL DESKTOP 745T W/19" FLAT	\$ 1,096.00	\$ 1,096.00	\$ -	Not Located
31	08-12919	DELL DESKTOP 745T W/19" FLAT	\$ 1,096.00	\$ 1,096.00	\$ -	Not Located
32	08-09917	DELL OPTIPLEX 745 DT, CORE E4300	\$ 1,068.00	\$ 1,068.00	\$ -	Not Located
33	08-01701	DELL DESKTOP 745 W/17' FLAT	\$ 1,006.00	\$ 1,006.00	\$ -	Not Located
34	08-01705	DELL DESKTOP 745 W/17' FLAT	\$ 1,006.00	\$ 1,006.00	\$ -	Not Located
35	08-01709	DELL DESKTOP 745 W/17' FLAT	\$ 1,006.00	\$ 1,006.00	\$ -	Not Located

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

[2] High-risk items unaccounted for

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

The Office of the Chief Auditor

Property Division

2017-2018

J. P. Taravella High (2751)

Tangible Personal Property Unaccounted For

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST	ALLOWABLE DEPRECIATION ^[1]	VALUE	MANAGEMENT RESPONSE	
36	08-01713	DELL DESKTOP WS390 W/17" FLAT	\$ 1,433.00	\$ 1,433.00	\$ -	Not Located
37	07-13549	DELL DESKTOP 745 W/17" FLAT	\$ 1,021.00	\$ 1,021.00	\$ -	Not Located
38	07-10495	DELL DESKTOP 745 W/17" FLAT	\$ 1,021.00	\$ 1,021.00	\$ -	Not Located
39	07-10503	DELL DESKTOP 745 W/17" FLAT	\$ 1,021.01	\$ 1,021.01	\$ -	Not Located
40	07-10142	DELL DESKTOP P4 W/17" FLAT	\$ 1,095.00	\$ 1,095.00	\$ -	Not Located
41	07-10144	DELL DESKTOP P4 W/17" FLAT	\$ 1,095.00	\$ 1,095.00	\$ -	Not Located
42	07-10153	DELL DESKTOP P4 W/17" FLAT	\$ 1,095.00	\$ 1,095.00	\$ -	Not Located
43	07-05180	DELL,DESKTOP,P4 W/15"FLAT	\$ 1,021.00	\$ 1,021.00	\$ -	Not Located
44	07-05184	DELL,DESKTOP,P4 W/15"FLAT	\$ 1,021.01	\$ 1,021.01	\$ -	Not Located
45	07-05206	DELL,LAPTOP,D520 W/CD-RW/DVD	\$ 1,441.00	\$ 1,441.00	\$ -	Not Located
46	07-05223	DELL,LAPTOP,D520 W/CD-RW/DVD	\$ 1,441.01	\$ 1,441.01	\$ -	Not Located
47	07-05224	DELL,LAPTOP,D520 W/CD-RW/DVD	\$ 1,441.02	\$ 1,441.02	\$ -	Not Located
48	07-02611	DELL LAPTOP D620,W/CD-	\$ 1,537.00	\$ 1,537.00	\$ -	Not Located
49	A07-83877	COMPUTER,DELL LATITUDE D520	\$ 1,304.46	\$ 1,304.46	\$ -	Not Located
50	07-01338	COMPUTER, LAPTOP DELL D820	\$ 1,945.00	\$ 1,945.00	\$ -	Not Located
51	06-11599	DELL,DESKTOP,P4 W/17"FLAT	\$ 1,098.00	\$ 1,098.00	\$ -	Not Located
52	05LD06553	Dell-Refresh Laptop	\$ 1,418.35	\$ 1,418.35	\$ -	Not Located
53	05LD06575	Dell-Refresh Laptop	\$ 1,418.35	\$ 1,418.35	\$ -	Not Located
54	05LD06638	Dell-Refresh Laptop	\$ 1,418.35	\$ 1,418.35	\$ -	Not Located
55	05LD06696	Dell-Refresh Laptop	\$ 1,418.35	\$ 1,418.35	\$ -	Not Located
56	05LD06723	Dell-Refresh Laptop	\$ 1,418.35	\$ 1,418.35	\$ -	Not Located
57	05LD06791	Dell-Refresh Laptop	\$ 1,418.35	\$ 1,418.35	\$ -	Not Located
58	05LD06804	Dell-Refresh Laptop	\$ 1,418.35	\$ 1,418.35	\$ -	Not Located
59	04-84909	Switch,HP Procurve 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
60	04-84910	Switch,HP Procurve 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
61	04-84911	Switch,HP Procurve 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
62	04-84912	Switch,HP Procurve 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
63	04-84913	Switch,HP Procurve 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
64	04-84914	Switch,HP Procurve 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
65	04-84916	Switch,HP Procurve 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
66	04-84919	Switch,HP Procurve 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
67	04-84922	Switch,HP Procurve 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
68	04-84924	Switch,HP Procurve 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
69	04-84925	Switch,HP Procurve 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
70	04-84926	Switch,HP Procurve 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
71	R04-85632	SWITCH,HP PROCURVE 4108	\$ 1,935.00	\$ 1,935.00	\$ -	Not Located
72	04-17248	APPLE DESKTOP, G5 TOWER	\$ 3,131.05	\$ 3,131.05	\$ -	Not Located
73	04-00656	APPLE, LAPTOP TITANIUM G4	\$ 2,576.95	\$ 2,576.95	\$ -	Not Located
74	03-10232	CUMPUTER,DELL GX260D	\$ 1,036.00	\$ 1,036.00	\$ -	Not Located
75		COMPUTER,DELL OPTIPLEX GX280 (Ser# 2LRQZX51) ⁽²⁾	\$ 815.00	\$ 815.00	\$ -	Not Located
76		COMPUTER,DELL OPTIPLEX GX280 (Ser# 84MMX51) ⁽²⁾	\$ 815.00	\$ 815.00	\$ -	Not Located
77		COMPUTER,DELL OPTIPLEX GX280 (Ser# GQLMX51) ⁽²⁾	\$ 815.00	\$ 815.00	\$ -	Not Located
78		COMPUTER,DELL OPTIPLEX GX280 (Ser# J38PX51) ⁽²⁾	\$ 815.00	\$ 815.00	\$ -	Not Located
79		Computer,Apple (QP414017PVW) ⁽²⁾	\$ 2,373.30	\$ 2,373.30	\$ -	Not Located

Total Historical Cost of Property unaccounted for as of May 1, 2018 \$ 116,175.97

^[1]Total Accumulated Depreciation as of May 1, 2018 \$ 114,663.90

Net Value of Property considered unaccounted for as of May 1, 2018 \$ 1,512.07

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

[2] High-risk items unaccounted for

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
The Office of the Chief Auditor
Property Division
2017-2018
South Broward High (0171)
Tangible Personal Property Unaccounted For

Finding 1: Missing Equipment

Area out of compliance

BPB O-100: Procedure for Property and Inventory Control

General: Property custodian must take appropriate precautions to safeguard and track all tangible personal property.

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST	ALLOWABLE DEPRECIATION ^[1]	VALUE	MANAGEMENT RESPONSE	
1	16-01978	YAMAHA FLUTE INTERMEDIATE	\$ 1,620.54	\$ 648.22	\$ 972.32	Not Located
2	16-01911	CLARINET PERFORMING YAMAHA	\$ 2,268.00	\$ 907.20	\$ 1,360.80	Not Located
3	16-01720	FLUTER PERFORMANCE POWELL	\$ 2,585.00	\$ 1,034.00	\$ 1,551.00	Not Located
4	16-00116	YAMAHA PICCOLO PERFORMING	\$ 1,958.04	\$ 783.22	\$ 1,174.82	Not Located
5	13-01425	APPLE IMAC INTEL W/21.5	\$ 1,270.88	\$ 1,270.88	\$ -	Not Located
6	12-80151	EMERSON FLSOL 100 FLUTE	\$ 1,237.50	\$ 1,237.50	\$ -	Not Located
7	10-04117	APPLE IMAC INTEL W/20" FLAT	\$ 1,134.00	\$ 1,134.00	\$ -	Not Located
8	06-10899	DELL,DESKTOP P4 TOWER 19" FLAT	\$ 1,236.00	\$ 1,236.00	\$ -	Not Located
9	06-10901	DELL,DESKTOP P4 TOWER 19" FLAT	\$ 1,236.00	\$ 1,236.00	\$ -	Not Located
10	03-01648	COMPUTER,DELL GX 240 D	\$ 1,042.00	\$ 1,042.00	\$ -	Not Located
11	R02-12748	DEFIBRILLATOR,AUTOMATIC	\$ 1,750.00	\$ 1,750.00	\$ -	Not Located
12	02-02460	STATION,DRAFTING (0171)	\$ 1,585.00	\$ 1,585.00	\$ -	Not Located
13	02-80198	STATION,DRAFTING (0171)	\$ 1,585.00	\$ 1,585.00	\$ -	Not Located
14	02-80040	BASSOON,SCHRIEBER	\$ 3,352.25	\$ 3,352.25	\$ -	Not Located
15	02-80044	MARIMBA,FOUROCTAVES	\$ 4,011.00	\$ 4,011.00	\$ -	Not Located
16	02-80047	TUBA,YAMAHA	\$ 4,050.40	\$ 4,050.40	\$ -	Not Located
17	02-80048	TUBA,YAMAHA	\$ 4,050.40	\$ 4,050.40	\$ -	Not Located
18	02-80057	TOMS,LUDWIG	\$ 1,061.20	\$ 1,061.20	\$ -	Not Located
19	02-80093	TROMBONE,BACH	\$ 1,432.60	\$ 1,432.60	\$ -	Not Located
20	02-80103	EUPHONIUM,YAMAHA	\$ 2,269.20	\$ 2,269.20	\$ -	Not Located
21	R87-90002	PIANO DIGITAL ROLAND	\$ 1,094.00	\$ 1,094.00	\$ -	Not Located
22		LAPTOP, APPLE MACBOOK (SER# 451117ECFYN) ⁽²⁾	\$ 970.20	\$ 970.20	\$ -	Not Located
23		BARITON MARCHING (SER# 001900) ⁽²⁾	\$ 799.00	\$ 799.00	\$ -	Not Located
24		Switch,24-Port Gig-Tzl Module (SG3157R1R7) ⁽²⁾	\$ 3,149.00	\$ 3,149.00	\$ -	Not Located

Finding 2: Serial number was not listed on the police report.

Area out of compliance

BPB O-100: Procedure for Property and Inventory Control

REPORTING THEFT OR VANDALISM OF TANGIBLE PERSONAL PROPERTY

BPI NUMBER	ITEM DESCRIPTION	HISTORICAL COST	ALLOWABLE DEPRECIATION ^[1]	VALUE	MANAGEMENT RESPONSE	
25	S17045084	LENOVO YOGA 260 (I3 PROCESSOR)	\$ 899.00	\$ 179.80	\$ 719.20	Police report - Stolen

Total Historical Cost of Property unaccounted for as of May 2, 2018 \$ 47,646.21
^[1]Total Accumulated Depreciation as of May 2, 2018 \$ 41,868.06
Net Value of Property considered unaccounted for as of May 2, 2018 \$ 5,778.15

*[1] Based upon class life used by the Accounting and Financial Reporting Department
[2] High-risk items unaccounted for*

SECTION IV:
Locations with Exceptions
Recommendations and Administrative Responses

School Name: C. Robert Markham Elementary (1671)

Previous Principal: Dr. Craig Saddler

New Principal: Shedrick Dukes

Address: 1501 NW 15th Avenue
Pompano Beach, FL 33069

Total Number of Items in Inventory:	677
Total Dollar Cost of Items in Inventory:	\$795,830
Total Number of Items Unaccounted for:	6
Total Dollar Cost of Items Unaccounted for:	\$10,048
Total Net Value of Items Unaccounted for:	\$0
Percentage of Dollar Cost of Items Unaccounted for:	1.3%

As a result of the property and inventory audit conducted at C. Robert Markham Elementary, it was determined that some controls over inventory and fixed assets were out of compliance with the District's policies and procedures.

Finding 1

During the property and inventory audit at C. Robert Markham Elementary, a printer was not accounted for. As part of the new Principal's response, he stated that the printer was missing.

Recommendations

The Office of the Chief Auditor (OCA) suggests a reconciliation of all assets be completed as often as needed in order to physical accounting of site-designated assets by the staff. The new Principal should conduct reconciliation of assets semi-annually in order to comply with policies and procedures. By performing the reconciliation routinely, the school can identify and correct on a timely basis any errors and discrepancies found. The new Principal can improve accountability and the safeguarding of the District's assets by strengthening the internal controls at the school. Some examples of actions that can assist in strengthening internal controls are creating a Property and Inventory team, and providing all staff with all procedures implemented by the new Principal. Every effort should be made to locate missing items.

Finding 2

Five computers were removed from the school during the SMART Surplus process. There were several instances during the SMART Surplus process where the errors/omission could have been corrected; however, a reconciliation of the scanned asset list against the 3290A Surplus declaration transfer forms was not completed so the errors were not corrected. The items deemed for surplus should have been documented on the proper District approved forms.

Recommendations

The OCA recommends that the new Principal reviews the procedures for surplussing tangible personal property with all staff members involved in the process so that everyone is made aware of the requirements set forth by the policies and procedures.

C. Robert Markham Elementary (continued)

Additional Recommendations

The OCA recommends the Principal register designated Property and Inventory 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 school's Property and Inventory team, and ensure compliance with all policies and procedures.

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

Valerie S. Wanza, Ph.D.
Chief Officer

Telephone: 754-321-3838

Facsimile: 754-321-3886

May 30, 2018

TO: Joris Jabouin
Chief Auditor

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

SUBJECT: **PROPERTY AND INVENTORY AUDIT RESPONSE –
C. ROBERT MARKHAM ELEMENTARY SCHOOL**

This correspondence acknowledges receipt and review of the findings from the FY 2017-18 property and inventory audit for C. Robert Markham Elementary 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 work with the principal to ensure the individuals who have been identified by the principal to assist with asset management receive the proper training in this area.
- The cadre director will work with the principal to establish, execute and monitor property and inventory controls that are consistent with District policies and business practice bulletins in this area.
- The cadre director will work with the principal during the 2018-19 school budget planning cycle to determine if funds can be allocated for a part or full-time micro-technology specialist at the school.
- The cadre director will review the school's progress in this area during his regularly scheduled school visits.
- Another school that has demonstrated accuracy and efficiency in this area will be identified to work with this principal 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/JH:lp

cc: Jacquelyn Haywood, School Performance & Accountability Director
Shedrick Dukes, Principal, C. Robert Markham Elementary School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

C. Robert Markham Elementary
Shedrick Dukes, Principal
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Pompano Beach, FL 33069
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<https://www.browardschools1.com/markham>

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Superintendent of Schools

May 30, 2018

TO: Valerie Wanza, Ph.D., Chief Officer
FROM: Shedrick L. Dukes, Principal *SD*
SUBJECT: Property Audit - February 2018 (Markham E.S. -1671)

Our semi-annual inventory was completed on 12/20/2017. The findings were that:

- Some items on the PNI file were not removed from a previous surplus that was sent to B-Stock. In addition, one missing item was found and accounted for, while another that had been reported lost was not properly documented.
- The plan of action was that we collaborated with the Information and Technology Department to have the surplus items removed from the PNI report. Documentation was completed for the lost item.
- An additional action was that I reviewed the PNI log with the Property and Inventory Team and scheduled to complete another inventory during the 2nd Semester of 2018.

In February 2018, a district audit was completed and 6 items were placed on the Property and Inventory "Unaccounted List of Personal Property Report" following our audit review.

- A scanner with Serial #S7005646 was removed for repair by maintenance on 1/5/2007 and then replaced with item #07-070709. A 3290A form was not completed, but has now been submitted.
- Five Apple Desktop/Laptop items were removed with the SMART SURPLUS on 8/9/2016. These items were not included on the SMART SURPLUS 3290A form, but a form was completed to account for them at this time.

I have since met with our Property and Inventory Support Team to establish the following additional procedural safeguards.

- An annual P&I Team training will be held during our August 2018 team meeting.
-



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

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

- All faculty and Staff will be trained, during pre-planning week on the procedures for completing property passes and reporting any missing or lost equipment.
- Any item that leaves the campus will be required to be witnessed by two P&I Team members and signed out with a property pass. If the item is not returned by the time of our semi-annual inventory, then a Form 3290A will be completed.

Our next semi-annual inventory was completed on 6/4/2018. The findings were that:

- Some newly purchased laptops had not been added to the PNI report.
- The plan of action was that we contacted Information and Technology department to confirm they would be updated. We will complete another PNI report to confirm current inventory on August 2, 2018.
- No other discrepancies were found.

I fully understand my fiduciary duty and responsibility for the equipment in my care and will monitor this process by continuing to pull quarterly PNI 811 Reports. They will be reviewed with the P&I Team.

School Name: Virginia Shuman Young Montessori (3321)

Previous Principal: Danielle N. Smith

New Principal: Cynthia Felton

Address: 101 NE 11th Avenue
Fort Lauderdale, FL 33301

Total Number of Items in Inventory:	856
Total Dollar Cost of Items in Inventory:	\$520,361
Total Number of Items Unaccounted for:	10
Total Dollar Cost of Items Unaccounted for:	\$15,123
Total Net Value of Items Unaccounted for:	\$0
Percentage of Dollar Cost of Items Unaccounted for:	2.9%

As a result of the property and inventory audit conducted at Virginia S. Young Montessori, it was determined that some controls over inventory and fixed assets were out of compliance with the District's policies and procedures.

Finding 1

During the physical inventory at Virginia S. Young Montessori, 10 items with a cumulative historical cost of \$15,123 were not physically accounted for. According to the new Principal's response to the Office of the Chief Auditor (OCA), several items were identified as being surplus. When the original B-stock Transfer Ticket and 3290A Surplus Declaration Transfer Forms were pulled for review, none of the items identified as surplus were listed on the forms.

Recommendations

The OCA suggests a reconciliation of all assets be completed, as often as needed, in order to physically account for all site-designated assets by staff. The Principal should conduct a reconciliation of assets semi-annually in order to comply with policies and procedures. By performing the reconciliation routinely, the school can identify and correct, on a timely basis, any errors and discrepancies found. The Principal can improve accountability and the safeguarding of the District's assets by strengthening the internal controls at the school. Some examples of actions that can assist in strengthening internal controls are creating a Property and Inventory team and providing all staff with all procedures implemented at the school by the Principal. Every effort should be made to locate unaccounted for items.

The OCA recommends that the procedures for surplus tangible personal property be reviewed with all staff members involved in the process so that everyone is made aware of the requirements set forth by the policies and procedures.

Finding 2

The school's New/Found list contains 82 computers and 10 carts/printers that have unit value of \$1,000 or more. The cumulative acquisition cost of the 92 items is \$108,602. An incorrect General Ledger number was used when these items were purchased through the District's Purchasing system. Business Practice Bulletin O-100: Procedure for Property & Inventory Control states that *all non-consumable tangible personal property with a unit value of \$1,000 or greater must be ordered through the District's Purchasing system utilizing appropriate coding*. During the previous property and inventory audit, the prior Principal was provided the New/Found equipment list with instruction on how to acquire the equipment. The equipment has not been added to the District's Master File database as of this date.

Virginia S. Young Montessori (continued)

Recommendations

The OCA recommends that the school acquire all of the equipment that has a unit value of \$1,000 or more. All necessary supporting paperwork should be included when the acquisitions forms are submitted to Accounting and Financial Reporting – Capital Assets to add the equipment to the District’s Master File database.

The OCA also recommends the Principal register the designated staff for the Procurement Training offered by Enterprise Resource Planning (ERP) and the Chart of Accounts Training offered by Accounting and Financial Reporting so that future purchases are created within the purchasing guidelines.

Additional Recommendations

The OCA recommends the Principal register designated Property and Inventory 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 school’s Property and Inventory team, and ensure compliance with all policies and procedures.

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

June 6, 2018

TO: Joris Jabouin
Chief Auditor

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

SUBJECT: **PROPERTY AND INVENTORY AUDIT RESPONSE
VIRGINIA SHUMAN YOUNG MONTESSORI ELEMENTARY SCHOOL**

The Property and Inventory Audit, Fiscal Year 2017-2018 for Virginia Shuman Young Montessori Elementary School has been reviewed by the Office of School Performance & Accountability. The principal has been directed to take the following corrective measures, which will be closely monitored by this office.

- The principal will review the Business Practice Bulletin O-100 Procedures for Property and Inventory Control to ensure compliance with all procedures. The Business Practice Bulletin will be discussed and reviewed with all members of the Property and Inventory Team to ensure the surplus of equipment is documented and all procedures followed.
- The principal will work with the school inventory team to ensure that the proper paperwork is correctly completed and appropriately reconciled for accuracy prior to the surplus or transfer of school equipment to another location.
- The principal has completed **semi-annual** Property and Inventory audit reports for Virginia Shuman Young Montessori on December 11, 2017 and June 1, 2018. Findings from the **semi-annual** report indicate the school has submitted acquisition forms to Capital Assets currently for the last six years, and 94 items have not been added to the PNI. Reconciliation of these items cannot take place until Capital Assets adds them to the PNI. In the meantime, the school will follow the procedures for surplusing equipment on campus described in the previous bullet.
- The principal will continue to submit **semi-annual** Property and Inventory audit reports that will include results of reconciliation of the PNI 811 Asset Report and the Discrepancy List Report to the Office of School Performance & Accountability on December 14, 2018 and May 29, 2019 for the 2018-2019 school. Additionally, all discrepancies will be reported in writing to Capital Assets and the Office of the Chief Auditor.
- The school inventory team will attend district-offered workshops regarding property and inventory offered by the Information & Technology Department. The school will provide written verification of training to the Office of School Performance & Accountability upon completion.
- The cadre director will work with the principal and monitor the school's process to ensure school compliance with policies and procedures for property and inventory.

Joris Jabouin
June 6, 2018
Page Two

The principal has been advised of the seriousness of property control and understands that appropriate disciplinary measures will be applied and documented for repeat audit exceptions.

VSW/DH:bjw

cc: David Hall, Director, Office of School Performance and Accountability
Cynthia Felton, Principal, Virginia Shuman Young Montessori Elementary School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Virginia Shuman Young Montessori Elementary
Cynthia Felton, Principal
Luke Balchaitis, Assistant Principal
101 Northeast 11th Avenue
Fort Lauderdale, FL 33301
754-322-9050
vsyschool.com

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Superintendent of Schools

May 30, 2018

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

FROM: Cynthia Felton *CF*
Principal, Virginia Shuman Young Elementary School

SUBJECT: RESPONSE TO FINAL AUDIT REPORT FROM OCTOBER 2017

The following is a response to the report from a Property and Inventory Audit that took place in October 2017. The items in question on the report were a result of clerical/procedural errors, and the items are not missing. The school will address the clerical/procedural errors to ensure accuracy of its property assets and of the surplus process as follows:

1. Our Inventory Team will attend the training titled "Inventory Process and Tips" when it becomes available in My Learning Plan.
2. The principal will review the Business Practice Bulletin O-100 with all members of the Inventory Team to include the process for surplussing equipment and the importance of accuracy on the 3290 forms.
3. The principal will submit **semi-annual** Property and Inventory audit reports that will include the PNI 811 Asset Report and the Discrepancy List Report to the Office of School Performance & Accountability in November and May of 2018-2019. Additionally, all discrepancies will be reported in writing to Capital Assets and the Office of the Chief Auditor.
4. After a surplus of equipment, the principal, assistant principal and micro-tech will pull a P&I report monthly for comparison to ensure items are removed in a timely manner. All discrepancies will be reported to Capital Assets monthly until the matter is corrected.

I am confident that by following these procedures, we will ensure that all assets are accounted for in the future. I understand the seriousness of the accurate account and security of all district items.



The School Board of
Broward County, Florida

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Valerie S. Wanza, Ph.D.
May 30, 2018
Page Two

Virginia Shuman Young Elementary had an annual Property and Inventory Audit, which concluded on October 13, 2017. During that audit, all paperwork requested by the auditor was provided. An exit meeting was conducted in our conference room on November 2017. At that time, there were 11 items that were listed as "missing." Two of those items were resolved prior to the auditor leaving on October 13, 2017. One additional item was located and verified by the auditor on November 29, 2017. The principal submitted the response as to the location of the remaining items to the Office of the Chief Auditor on November 29, 2017. Documentation was provided for the remaining 8 items. Three items were satisfied by invoice. However, the documentation for the remaining 5 items was not accepted due to procedural/clerical errors in the surplus process. On the Final Audit Report on Property and Inventory, received on May 23, 2018, five new items were added to the missing list. These items had not been previously questioned and paperwork was accepted in October. At no time was the principal or micro-tech informed of any concerns regarding these items or the paperwork submitted.

The remaining ten items were picked up in either June or December of 2016. At the time of each pick-up, the school had additional items waiting for pick-up. The surplus facilitator present from Procurement and Warehouse Services stated that those could just be added to the pick-up instead of waiting for another pick up. The items were removed from campus on the day of the B-stock pickup and are not "missing" as indicated on the final report. The two surplus packets were combined at the time of the pick-up.

During the school's first quarterly inventory check in June of 2017, the school's micro-tech identified a large number of devices that had previously been surplus, that were still on our P&I. The attached documents identifying items remaining on the P&I were sent via pony once again in June 2017. (ATTACHMENT A)

The items in question were a result of clerical/procedural errors and we will ensure this does not happen again by following the procedures listed.

If you have any questions, please feel free to contact me at 754-322-9050.

cc: David Hall, Director, Office of School Performance and Accountability

B-Stock Transfer

Date Created: 5/5/2016

Date Closed:

Transfer # 26066

Number of 3290A Attachments: 11

Cafeteria #

Number of Other Attachments:

Issuing Location 3321
Virginia Young Elementary
101 NE 11th Ave
Ft. Lauderdale, FL 33301
Phone/Fax: (754)322-9050 / (754)322-9090

Receiving Location: 9613B
B-Stock Warehouse
6501 NW 15th Ave
Fort Lauderdale, FL 33309
Phone/Fax: (754)321-2850 / (754)321-2886

Contact:

Contact:

Check if unable to complete Reason:

Ready

Line #	BPI #	Serial #	Qty	Item Description	Status
1			3	Gaylord Box of Surplus Technology Items	Inc

5/16/16 NOT READY WILL CALL FOR PICK UP!

Requested By: Danielle Smith

Released By: *[Signature]*

Date: 6/1/16

Received By:

Date:

R/C Delivered By: Rudy + Tim

6-6-16

Originator: Ted Skopinski

Written changes to this form MUST be initialed by school administrator

Top Copy to B-Stock ---- Second Copy to Financial Reporting ---- Third Copy to School/Department

Page 1 of 1

The School Board of Broward County, Florida
 Capital Assets Activity Form
 Surplus Declaration Transfer

Submit Surplus / Transfer Form to B-Stock

- *SURPLUS (Principal / Director authorization signature required)
 TRANSFER (both issuing and receiving Principal / Director authorization signatures required)

B-Stock Transfer #: _____

Transfer Assistance Required: YES NO

Issuing Location #: 3321
 Location Name: VYE
 Contact Name: Robert Elkins
 Phone #: 754-322-9050

Receiving Location #: B-Stock
 Location Name: _____
 Contact Name: _____
 Phone #: _____

BPI Number <i>Refer to Asset Record download as needed</i>	Serial Number	Model Number	Equipment Description	Obsolete	Broken
				<input type="checkbox"/>	<input type="checkbox"/>
06-00603	F3HG560017F		PROJECTOR, EPSON	<input type="checkbox"/>	<input type="checkbox"/>
06-00612	FP69P71		DELL,DESKTOP, P4, WS370 W/17"FLAT PANEL	<input type="checkbox"/>	<input type="checkbox"/>
06-00613	CP69P71		DELL,DESKTOP, P4, WS370 W/17"FLAT PANEL	<input type="checkbox"/>	<input type="checkbox"/>
07-03263	GQLFRB1		DELL,DESKTOP, PENTIUM 4 W/15"FLAT PANEL	<input type="checkbox"/>	<input type="checkbox"/>
NOT ON PNI	W85030H4PP7		DESKTOP, IMAC G5	<input type="checkbox"/>	<input type="checkbox"/>

Equipment Transfer /
 Surplus Approved by:

X Daniel Smith
 Principal / Director (per Policy 3204)

Date: 6/6/16

Released by: _____
 Please Print Name, Title

Date: / /

Transfer Received by: _____

Principal / Director (per Policy 3204)

Date: / /

Transfer Delivered by: _____

Please Print Name, Title

Date: / /

27

School Name: Hollywood Hills High (1661)

Principal: Lourdes Gonzalez

**Address: 5400 Stirling Road
Hollywood, FL 33021**

Total Number of Items in Inventory:	2,846
Total Dollar Cost of Items in Inventory:	\$2,504,321
Total Number of Items Unaccounted for:	60
Total Dollar Cost of Items Unaccounted for:	\$81,873
Total Net Value of Items Unaccounted for:	\$2,107
Percentage of Dollar Cost of Items Unaccounted for:	3.3%

As a result of the property and inventory audit conducted at Hollywood Hills High, it was determined that some controls over inventory and fixed assets were out of compliance with the District's policies and procedures.

Finding 1

During the physical inventory at Hollywood Hills High, 60 items with a cumulative historical cost of \$81,873 were not physically accounted for and are considered missing.

Recommendations

The Office of the Chief Auditor (OCA) suggests a reconciliation of all assets be completed as often as needed in order to physically account for all site-designated assets by staff. The Principal should conduct reconciliation of assets semi-annually in order to comply with policies and procedures. By performing the reconciliation routinely, the school can identify and correct on a timely basis any errors and discrepancies found. The Principal can improve accountability and the safeguarding of the District's assets by strengthening the internal controls at the school. Some examples of actions that can assist in strengthening internal controls are creating a Property and Inventory team, and providing all staff with all procedures implemented at the school by the Principal. Every effort should be made to locate missing items.

Additional Recommendations

The OCA recommends the Principal register designated Property and Inventory 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 school's Property and Inventory team, and ensure compliance with all policies and procedures.

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

DATE: June 4, 2018

TO: Joris Jabouin
Chief Auditor

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

SUBJECT: **PROPERTY & INVENTORY AUDIT RESPONSE –
HOLLYWOOD HILLS HIGH SCHOOL/FISCAL YEAR 2017-18**

This correspondence acknowledges receipt and review of the findings from the FY 2017-18 property and inventory audit for Hollywood Hills High 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 work with the principal to ensure the individuals who have been identified by the principal to assist with asset management receive the appropriate training in this area by registering for the Inventory Process & Tips training offered by the Information & Technology Department.
- The cadre director will work with the principal to ensure that the asset management team meets regularly, conducts quarterly inventory reviews, and maintain accurate records of all District property including high-risk items that are not recorded in the Master File database.
- The director has reviewed with the principal the submitted semi-annual Property and Inventory audit reports for Hollywood Hills High School on November 17, 2017 and June 1, 2018. Findings from the semi-annual report indicate that the school has added serial number labels to laptops that were lacking them. Furthermore, room corrections were made to the internal FileMaker Database aligning laptops with correct FISH location.
- The principal will be required to submit quarterly Property and Inventory audit reports that will include results of reconciliation of the PNI 811 Asset Report and the Discrepancy List Report to the Office of School Performance & Accountability. Additionally, all discrepancies will be reported in writing to Capital Assets and the Office of the Chief Auditor.
- The cadre director will include a review of the asset management protocols in his regularly scheduled site visits with the principal and provide appropriate recommendations for improvement.

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/MJR:mg

cc: Michael J. Ramirez, School Performance & Accountability Director
Lourdes Gonzalez, Principal, Hollywood Hills High School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

HOLLYWOOD HILLS HIGH SCHOOL
5400 Stirling Road
Hollywood, FL 33021
Lourdes Gonzalez, Principal
Telephone -754-323-1050
Facsimile-754-323-1180

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Robert W. Runcie
Superintendent of Schools

DATE: June 12, 2018

TO: Dr. Valerie S. Wanza
Chief School Performance & Accountability Officer

FROM: Mrs. Lourdes Gonzalez 
Principal, Hollywood Hills High School

**SUBJECT: AUDIT REPORT ON PROPERTY AND INVENTORY – FISCAL YEAR
2017-18**

Hollywood Hills High School is currently responsible for 40 missing items, valued at over \$1000 each. The Hollywood Hills administrative and Property and Inventory (P&I) teams are committed to resolving issues that have led to the misplacement of these items and the reconciliation of invoice records for items recently located. The major areas of concern relating to these issues include outdated computer equipment, damaged audio-visual equipment, unusable band equipment, and the proper cataloging and recordkeeping of paperwork involving these obsolete items.

Conducting Self Inventories

To further strengthen the property and inventory process and ensure we follow through with procedures currently in place, a Property and Inventory Team consisting of our Micro Tech (P&I Leader), P&I support staff member, Band Director, Athletic Director, TV Production Sponsor, Head Custodian, Media Specialist and ESE Specialist will meet on a monthly rather than quarterly basis. We will continue to pay a supplemental stipend for a Property and Inventory Leader and have reassigned one of our staff members to assist in the property and inventory process. Each member of the team will maintain a database of their assigned equipment and will be responsible for monthly checks of their inventoried items. The team will discuss and update their assigned inventory status and notify the administrative team of any concerns or updates made.



Updating PNI Report

The school's Micro Tech will generate a bi-weekly PNI report and will post it in the Hollywood Hills High School SharePoint site. All Property & Inventory team members will be responsible for accessing these files and checking them for accuracy prior to each monthly meeting. In addition, the Micro Tech will be checking this report to ensure any items added are properly recorded and listed and any items surplussed are removed from the PNI report. If, within 90 days the items have not been removed from the PNI list, then the Micro Tech will contact The Capital Assets Office to ensure the items are deleted as required. Furthermore, a FileMaker Pro Database will be uploaded to the Hollywood Hills High School virtual server and will include items from the PNI list and the school internal inventory.

Secondary Database

The school will continue to maintain an internal database of items considered high risk and under \$1000. At this time, we have 20 items listed as missing, each valued under \$1000. We will accurately maintain and update this database. Members of the P&I Team will keep their own under-\$1000 database for his or her assigned area of responsibility.

The Micro Tech and the P&I leader will manage and monitor all Secondary Site-based equipment considered high risk and under \$1000 including all laptops, audio visual, band, and program-specific equipment. This equipment will be secured, and the location tracked and checked throughout the year to prevent loss.

Property & Inventory Procedure Updates

Our current Micro Tech has been in place as of April 2017. He had the opportunity to attend the property and inventory district training held on March 19, 2018. Additional personnel will be mandated to attend this training as soon as new training dates become available. Our Micro Tech's policies and procedures have been put in place to organize and properly classify the school inventory. When new items are received at the school, a copy of the packing slip and invoice are to be created and given to the Micro Tech and bookkeeper. The Micro Tech will take pictures of the new items and will add these pictures to the database.

Surplus of Tangible Personal Property

As indicated in the report, we will surplus tangible personal property twice per year. This year our school sent broken/obsolete equipment to B-Stock and plan to surplus additional items during the summer months. The proper paperwork will be filled out and kept at the time of the collection. All paperwork is being collected and stored in properly labeled binders. Items gathered for surplus will be discussed during the monthly team meetings. All team members will follow the proper surplus process.



Musical Equipment

Hollywood Hills High School will have a new Band Director next year. The administrative team has made him aware of the expectations and importance of keeping accurate records of all band equipment and property passes. The Band Director will conduct monthly checks on the equipment and will be in constant communication with the administrative team and P&I Leader.

Hollywood Hills High School Administration and the Property and Inventory Team are committed to improving the management of our property and inventory. The above steps will be put in place and monitored to secure all equipment currently on campus and all new equipment assigned to our school.

School Name: J.P. Taravella High (2751)

Previous Principal: Shawn Cerra

New Principal: Dr. Jason J. Nault

Address: 10600 Riverside Drive
Coral Springs, FL 33071

Total Number of Items in Inventory:	2,790
Total Dollar Cost of Items in Inventory:	\$2,936,122
Total Number of Items Unaccounted for:	79
Total Dollar Cost of Items Unaccounted for:	\$116,176
Total Net Value of Items Unaccounted for:	\$1,512
Percentage of Dollar Cost of Items Unaccounted for:	4.0%

As a result of the property and inventory audit conducted at J.P. Taravella High, it was determined that some controls over inventory and fixed assets were out of compliance with the District's policies and procedures.

Finding 1

During the property and inventory audit at J.P. Taravella High, 23 items were not accounted for. As part of the new Principal's response, he stated that the items were missing.

Recommendations

The Office of the Chief Auditor (OCA) suggests a reconciliation of all assets be completed as often as needed in order to physical accounting of site-designated assets by the staff. The new Principal should conduct reconciliation of assets semi-annually in order to comply with policies and procedures. By performing the reconciliation routinely, the school can identify and correct on a timely basis any errors and discrepancies found. The new Principal can improve accountability and the safeguarding of the District's assets by strengthening the internal controls at the school. Some examples of actions that can assist in strengthening internal controls are creating a Property and Inventory team, and providing all staff with all procedures implemented by the new Principal. Every effort should be made to locate missing items.

Finding 2

A total of 56 computers and network equipment were removed from the school during the SMART Surplus process. There were several instances during the SMART Surplus process where the errors/omission could have been corrected; however, a reconciliation of the scanned asset list against the 3290A Surplus declaration transfer forms was not completed so the errors were not corrected. The items deemed for surplus should have been documented on the proper District approved forms.

Recommendations

The OCA recommends that the new Principal reviews the procedures for surplussing tangible personal property with all staff members involved in the process so that everyone is made aware of the requirements set forth by the policies and procedures.

J.P. Taravella High (continued)

Additional Recommendations

The OCA recommends the Principal register designated Property and Inventory 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 school's Property and Inventory team, and ensure compliance with all policies and procedures.

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

DATE: May 30, 2018

TO: Joris Jabouin
Chief Auditor

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

SUBJECT: **PROPERTY & INVENTORY AUDIT RESPONSE- J.P. TARAVELLA HIGH SCHOOL
FISCAL YEAR 2017-18**

This correspondence acknowledges receipt and review of the findings from the FY 2017-18 property and inventory audit for J.P. Taravella High 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 work with the principal to ensure that the school's Property and Inventory team reconcile all assets, as often as needed to ensure an accurate physical accounting and safeguarding of the District's high-risk items such as laptop computers.
- The cadre director will work and review with the principal the procedures for surplussing tangible personal property with all staff members involved in the process so that all are aware of the requirements set forth by the policies and procedures in Business Practice Bulletin O-100.
- The principal has completed semi-annual Property and Inventory audit reports for J.P. Taravella High School on December 22, 2017 and March 23, 2018. Findings from the semi-annual report indicates that the school has submitted paperwork to Capital Assets to reconcile one (1) serial discrepancy found.
- The principal will continue to submit semi-annual Property and Inventory audit reports that will include results of reconciliation of the PNI 811 Asset Report and the Discrepancy List Report to the Office of School Performance & Accountability on December 2018 and May 2019 for the 2018-2019 school. Additionally, all discrepancies will be reported in writing to Capital Assets and the Office of the Chief Auditor.
- The cadre director will work with the principal to ensure that all designated Property and Inventory team members register for the Inventory Process & Tips training offered by the Information & Technology Department. As well as, review Business Practice Bulletin O-100 Procedure for Property and Inventory Control with said team to ensure compliance with all policies and procedures.

VSW/MJC: mag

cc: Michael J. Ramirez, Director, Office of School Performance & Accountability
Shawn Cerra, Director, Athletics & Student Activities



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

J.P. Taravella High School

Jason Nault, Ed.D, Principal
10600 Riverside Drive
Coral Springs, FL 33071
754-322-2300 Phone
754-322-2430 Fax
jptaravellahs.org

May 28, 2018

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Broward County, Florida**

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Superintendent of Schools

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

FROM: Dr. Jason Nault, Principal
JP Taravella High School 2751

RE: Audit Response on Property & Inventory
Fiscal Year 2017-2018

This letter is in response to the items identified as missing or unaccounted for in the property & inventory audit report dated February 5, 2018. During the audit process, 23 of the 79 items were identified as unaccounted for or unable to locate. This process also revealed that 56 of the 79 items were removed from Taravella during the SMART surplus process; however, they were not documented properly so they also appear on Taravella's unaccounted for list.

This recent audit has highlighted the following areas of our inventory process that need refinement: the regular reconciliation of assets, the removal of equipment and surplus process, and the establishment of a Property and Inventory team. The following systems and procedures have been implemented as part of our corrective action plan to address these concerns:

1. To improve regular reconciliation of assets:
 - Although the auditor recommends Taravella conduct reconciliation of assets semi-annually, Taravella will be conducting asset reconciliations quarterly to streamline systems and build culture around the property & inventory process.
2. Removal of equipment and surplus process:
 - Taravella will be proactive about removing equipment regularly that is no longer being utilized by the school.
 - Taravella will ensure key members of the school's staff (lead custodian, athletic director, band director, micro-tech, budget keeper and assistant principal over PNI) will be appropriately trained with PNI procedures and have an understanding of the forms needed to successfully surplus an item.
 - Taravella will designate a specific area in the school for items awaiting surplus pick up and a designated area to store current or incoming property and inventory.
3. Establishment of a Property and Inventory Team:
 - An administrator has been assigned to supervise the PNI team.
 - Members of the PNI team will meet monthly to review procedures and discuss potential action items that can impact our property and inventory.
 - Our assets will be inventoried quarterly to ensure accuracy and identify possible discrepancies.
 - The PNI team will be trained as needed and conduct school-wide professional development as needed.

As principal, I will monitor the processes and procedures stated above and continue to implement PNI best practices that will help us improve on future audits.

School Name: South Broward High (0171)

Principal: Olayemi Awofadeju

Address: 1901 North Federal Highway
Hollywood, FL 33020

Total Number of Items in Inventory:	2,693
Total Dollar Cost of Items in Inventory:	\$1,970,988
Total Number of Items Unaccounted for:	25
Total Dollar Cost of Items Unaccounted for:	\$47,646
Total Net Value of Items Unaccounted for:	\$5,778
Percentage of Dollar Cost of Items Unaccounted for:	2.4%

As a result of the property and inventory audit conducted at South Broward High, it was determined that some controls over inventory and fixed assets were out of compliance with the District's policies and procedures.

Finding 1

During the physical inventory at South Broward High, 24 items were not physically accounted for. As part of the Principal's response, the Principal stated that the items were not located.

Recommendations

The Office of the Chief Auditor (OCA) suggests a reconciliation of all assets be completed as often as needed in order to physically account for all site-designated assets by staff. The Principal should conduct reconciliation of assets semi-annually in order to comply with policies and procedures. By performing the reconciliation routinely, the school can identify and correct on a timely basis any errors and discrepancies found. The Principal can improve accountability and the safeguarding of the District's assets by strengthening the internal controls at the school. Some examples of actions that can assist in strengthening internal controls are creating a Property and Inventory team, and providing all staff with all procedures implemented at the school by the Principal. Every effort should be made to locate missing items.

Finding 2

During the property and inventory audit, the school provided two police reports. The first police report listed a laptop as stolen. The report did not contain the serial number of the laptop. The second police report contained two laptops that were reported missing. One of the laptops was found at the school and the second laptop was listed on a 3290A Surplus Declaration Transfer form. According to Business Practice Bulletin O-100: Procedure for Property and Inventory Controls *In the event of theft or vandalism, the property custodian will report the loss to the Broward District Schools Police Department (BDSPD) and the local authorities at the time of the incident. As a component of the police report and the BDSPD's Immediate Notification Form (See Exhibit 6), the location must provide all applicable property and serial numbers of the stolen tangible personal property along with a narrative of the event. This should be completed within 2 business days from when the incident is known or should have been known.*

Recommendations:

The OCA recommends that the procedures for reporting theft or vandalism are reviewed with all staff members. In addition, the OCA recommends that the school implement new procedures for securing high-risk items such as laptop computers when tangible personal property is not being utilized on a day-to-day basis. The school should safeguard all equipment at all times.

South Broward High (continued)

In addition, the OCA recommends that police reports not be used as a “clean up” mechanism for equipment that cannot be located during the semi-annual inventories conducted by the school.

Additional Recommendations

The OCA recommends the Principal register designated Property and Inventory 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 school’s Property and Inventory team, and ensure compliance with all policies and procedures.

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

DATE: May 25, 2018

TO: Joris Jabouin
Chief Auditor

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

SUBJECT: **PROPERTY & INVENTORY AUDIT RESPONSE –
SOUTH BROWARD HIGH SCHOOL/FISCAL YEAR 2017-18**

This correspondence acknowledges receipt and review of the findings from the FY 2017-18 property and inventory audit for South Broward High 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 work with the principal to ensure that the asset management team meets regularly, conducts quarterly inventory reviews, and maintains accurate records of all District property.
- The principal has completed semi-annual Property and Inventory audit reports for South Broward High School on December 15, 2017 and May 14, 2018. Findings from the semi-annual report indicates that the school has submitted paperwork to Capital Assets for the reconciliation of 53 items found that were omitted or were missing serial numbers.
- The principal will continue to submit semi-annual Property and Inventory audit reports that will include results of reconciliation of the PNI 811 Asset Report and the Discrepancy List Report to the Office of School Performance & Accountability on December 2018 and May 2019 for the 2018-2019 school. Additionally, all discrepancies will be reported in writing to Capital Assets and the Office of the Chief Auditor.
- The cadre director will review Business Practice Bulletin O-100 with the principal. He will work with the principal to establish and monitor school procedures for securing and safeguarding high-risk items such as laptop computers and musical instruments on a day-to-day basis.
- The cadre director will ensure that all designated Property and Inventory team members register 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 school's Property and Inventory team, and ensure compliance with all policies and procedures.
- The cadre director will include a review of the asset management protocols in his regularly scheduled site visits with the principal and provide appropriate recommendations for improvement.

VSW/MJR:mag

cc: Michael J. Ramirez, School Performance & Accountability Director
Olayemi Awofadeju, Principal, South Broward High School



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

South Broward High School
Olayemi Awofadeju, Principal
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Superintendent of Schools

May 25, 2018

TO: Dr. Valerie Wanza, Chief Officer
BCPS School Performance and Accountability

FROM: Olayemi Awofadeju, Principal 
South Broward High School

SUBJECT: Property and Inventory Audit Findings Response 2017-2018

Please accept this memo as my response to the Report from the Audit Conducted in the Fall of 2017. Listed below are the corrective actions that have been put into place upon notification of the items not located during the time of the audit.

- Although we had a copy of the police report, the report did not contain the item's serial number. I have educated the staff on Procedures for Property Controls, Business Practice O-100, to ensure that if there is future theft or vandalism the serial number of the stolen tangible property is included in the police report.
- I added additional team members to the Audit Team to assist in the semi-annual reconciliation of assets in order to ensure compliance with the policies and procedures.
- I have met with my Head Custodian to ensure that no major pieces of equipment are discarded without administration approval.
- I have reviewed the procedures for reporting theft or vandalism with staff members and will continue to do so more frequently .
- I will continue to enforce our school procedures for classroom laptop carts securing and protecting them against theft and vandalism.
- I have identified an additional staff member to work with the Technology Specialist on a full-time basis, and this new staff member will attend the next "Inventory Process & Tips training offered by the Information & Technology Department.

**SECTION V:
Supplemental Information**

The 2016 Florida Statutes

Title XVIII

PUBLIC LANDS AND PROPERTY

TANGIBLE PERSONAL PROPERTY OWNED BY LOCAL GOVERNMENTS

CHAPTER 274

TANGIBLE PERSONAL PROPERTY OWNED BY LOCAL GOVERNMENTS

- 274.1 Definitions.
- 274.2 Record and inventory of certain property.
- 274.3 Property supervision and control.
- 274.4 Property acquisition.
- 274.5 Surplus property.
- 274.6 Alternative procedure.
- 274.7 Authorizing and recording the disposal of property.
- 274.8 Penalty.
- 274.9 Construction.
- 274.10 Initiation of act.
- 274.11 County health department property.
- 274.12 Special districts subject to chapter.

274.1 Definitions.-The following words as used in this act have the meanings set forth in the below subsections, unless a different meaning is required by the context:

- (1) "Governmental unit" means the governing board, commission or authority of a county or taxing district of the state or the sheriff of the county.
- (2) "Custodian" means the person to whom the custody of county or district property has been delegated by the governmental unit.
- (3) "Property" means all tangible personal property, owned by a governmental unit, of a nonconsumable nature.
- (4) "Fiscal year" means the governmental unit's fiscal year established pursuant to law; otherwise, it means the calendar year.

History.-s. 1, ch. 59-163; s. 1, ch. 61-102.

274.2 Record and inventory of certain property.-

- (1) The word "property" as used in this section means fixtures and other tangible personal property of a nonconsumable nature.
- (2) The Chief Financial Officer shall establish by rule the requirements for the recording of property and for the periodic review of property for inventory purposes.

History.-s. 2, ch. 59-163; s. 8, ch. 69-82; s. 1, ch. 73-87; s. 5, ch. 82-104; s. 1, ch. 88-53; s. 5, ch. 96-209; s. 2, ch. 2004-296; s. 41, ch. 2006-122.

274.3 Property supervision and control.-A governmental unit shall be primarily responsible for the supervision and control of its property but may delegate to a custodian its use and immediate control and may require custody receipts. A governmental unit may assign to or withdraw from a custodian the custody of any of its property at any time; provided, that if the custodian is an officer elected by the people or appointed by the

Governor, the property may not be withdrawn from the officer's custody without his or her consent. Each custodian shall be responsible to the governmental unit for the safekeeping and proper use of the property entrusted to his or her care. If the custodian is not a bonded officer, the governmental unit may require from the custodian a bond conditioned upon such safekeeping and proper use. In each county the sheriff shall be the custodian of the property of the office of sheriff.

History.- s. 3, ch. 59-163; s. 2, ch. 61-102; s. 186, ch. 95-148.

274.4 Property acquisition.-Whenever acquiring property, the governmental unit may pay the purchase price in full or may exchange property with the seller as a trade-in and apply the exchange allowance to the cost of the property acquired. If, whenever acquiring property, the governmental unit may best serve the interests of the county or district by outright sale of the property to be replaced, rather than by exchange as a trade-in, it may make the sale in a manner otherwise prescribed in this act for the disposal of property. The receipts from the sale may be treated as a current refund if the property to be acquired shall be contracted for within the same fiscal year of the governmental unit in which the property sold is disposed of.

History.- s. 4, ch. 59-163.

274.5 Surplus property.-A governmental unit shall have discretion to classify as surplus any of its property, which property is not otherwise lawfully disposed of, that is obsolete or the continued use of which is uneconomical or inefficient, or which serves no useful function. Within the reasonable exercise of its discretion and having consideration for the best interests of the county or district, the value and condition of property classified as surplus, and the probability of such property's being desired by the prospective bidder or donee to whom offered, the governmental unit may offer surplus property to other governmental units in the county or district for sale or donation or may offer the property to private nonprofit agencies as defined ins. 273.01(3) by sale or donation. If the surplus property is offered for sale and no acceptable bid is received within a reasonable time, the governmental unit shall offer such property to such other governmental units or private nonprofit agencies as determined by the governmental units on the basis of the foregoing criteria. Such offer shall disclose the value and condition of the property. The best bid shall be accepted by the governmental unit offering such surplus property. The cost of transferring the property shall be paid by the governmental unit or the private nonprofit agency purchasing or receiving the donation of the surplus property.

History.- s. 5, ch. 59-163; s. 21, ch. 94-226; s. 6, ch. 96-209; s. 1, ch. 96-236.

274.6 Alternative procedure.-Having consideration for the best interests of the county or district, a governmental unit's property that is obsolete or the continued use of which is uneconomical or inefficient, or which serves no useful function, which property is not otherwise lawfully disposed of, may be disposed of for value to any person, or may be disposed of for value without bids to the state, to any governmental unit, or to any political subdivision as defined in s. 1.01, or if the property is without commercial value it may be donated, destroyed, or abandoned. The determination of property to be disposed of by a governmental unit pursuant to this section instead of pursuant to other provisions of law shall be at the election of such governmental unit in the reasonable exercise of its discretion. Property, the value of which the governmental unit estimates to be under \$5,000, may be disposed of in the most efficient and cost-effective means as determined by the governmental unit. Any sale of property the value of which the governmental unit estimates to be \$5,000 or more shall be sold only to the highest responsible bidder, or by public auction, after publication of notice not less than 1 week nor more than 2 weeks prior to sale in a newspaper having a general circulation in the county or district in which is located the official office of the governmental unit, and in additional newspapers if in the judgment of the governmental unit the best interests of the county or district will better be served by the additional notices; provided that nothing herein contained shall be construed to require the sheriff of a county to advertise the sale of miscellaneous contraband of an estimated value of less than \$5,000.

History.- s. 6, ch. 59-163; s. 22, ch. 94-226; s. 7, ch. 96-209.

274.7 Authorizing and recording the disposal of property.-Authority for the disposal of property shall be recorded in the minutes of the governmental unit. The disposal of property within the purview of s. 274.02 shall be

recorded in the records required by that section.

History.- s. 7, ch. 59-163.

274.8 Penalty.-Any person who violates any provision of this act or any rule prescribed pursuant to its authority shall be guilty of a misdemeanor of the second degree, punishable as provided ins. 775.082 ors. 775.083.

History.- s. 8, ch. 59-163; s. 158, ch. 71-136.

274.9 Construction.-The provisions of this act shall be liberally interpreted to be cumulative and supplementary to any general, special or local law, heretofore or hereafter enacted.

History.- s. 10, ch. 59-163 .

274.10 Initiation of act.-This act shall govern the administration of the property of each governmental unit from the beginning of such governmental unit's fiscal year next succeeding Niay 28, 1959.

History.- s. 11, ch. 59-163 .

274.11 County health department property.- Title to property purchased by county health departments established pursuant to the provisions of chapter 154, whether purchased with federal, state or county funds, or any combination thereof, shall be vested in the board of county commissioners of the county where said county health department is located and shall be accounted for in accordance with the provisions of this chapter.

History.- s. 1, ch. 61-46.

274.12 Special districts subject to chapter.-Every special district governed by the provisions of this act shall comply with the provisions of this chapter.

History.- s. 12, ch. 79-183; s. 3, ch. 2004-296.

CHAPTER 69I-73
TANGIBLE PERSONAL PROPERTY OWNED BY LOCAL GOVERNMENTS

69I-73.001	Definitions
69I-73.002	Threshold for Recording Property
69I-73.003	Recording of Property
69I-73.004	Marking of Property Records
69I-73.005	Disposition of Property
69I-73.006	Inventory of Property

69I-73.001 Definitions.

(1) “Control Accounts” means summary accounts designed to control accountability for individual property records. Unlike individual property records which establish accountability for particular items of property, control accounts accumulate the total cost or value of the custodian’s property and, through entries to the control accounts documenting acquisitions, transfers and dispositions, provide evidence of the change in that total cost or value over periods of time as well as the total cost or value at any time.

(2) “Cost” means acquisition or procurement cost (i.e., invoice price plus freight and installation charges less discounts). In determining cost, the value of property exchanged by the custodian in satisfaction of a portion of the purchase price of new property shall not be deducted from the full purchase price regardless of any property “traded in” on the new property.

(3) “Custodian” has the meaning set forth in section 274.01(2), F.S.

(4) “Custodian’s Delegate” means a person acting under the supervision of the custodian to whom the custody of property has been delegated by the custodian and, from whom the custodian receives custody receipts.

(5) “Data Processing Software” has the meaning set forth in section 119.011(6), F.S. Data processing software is not considered to be property within the meaning of these rules.

(6) “Depreciated Cost” means cost less accumulated depreciation.

(7) “Financial System” means the fund accounting process used by the local government for recording cash and other financial resources, expenditures and other financial uses, together with all related liabilities and residual equities or balances.

(8) “Fiscal Year” means the governmental unit’s fiscal year established pursuant to law.

(9) “Governmental Unit” has the meaning set forth in section 274.01(1), F.S.

(10) “Identification Number” means a unique number assigned and affixed to each item of property to identify it as property held by the custodian and for the purpose of differentiating one item of property from another.

(11) “Property” has the meaning set forth in section 274.02(1), F.S.

(12) “Unaccounted for Property” means property held by a custodian, subject to the accountability provisions of section 274.03, F.S., which cannot be physically located by the custodian or custodian’s delegate, which property has not been otherwise lawfully disposed of.

(13) “Value” means the worth or fair market value at the date of acquisitions for donated property.

Rulemaking Authority 274.02 FS. Law Implemented 274.01, 274.02 FS. History–New 3-25-08.

69I-73.002 Threshold for Recording Property.

All property with a value or cost of \$1,000 or more and a projected useful life of 1 year or more shall be recorded in the local government’s financial system as property for inventory purposes.

Rulemaking Authority 274.02 FS. Law Implemented 274.02 FS. History–New 3-25-08.

69I-73.003 Recording of Property.

(1) Maintenance of Property Records – Governmental units shall maintain adequate records of property in their custody. The records shall contain at a minimum, the information required by these rules.

(2) Individual Records Required for Each Property Item – Each item of property shall be accounted for in a separate property record. Related individual items which constitute a single functional system may be designated as a property group. A property group may be accounted for in one record if the component items are separately identified within the record. Examples of property items subject to group accountability include, but are not limited to, modular furniture, computer components, book sets, and similar

association of items. All property group items, the total value or cost of which is equal to or greater than \$1,000 shall be inventoried under this rule.

(3) Content of Individual Property Records – Each property record shall include the following information:

(a) Identification number.

(b) Description of item or items.

(c) Physical location (the city, county, address or building name, and room number therein).

(d) Name of custodian with assigned responsibility for the item.

(e) In the case of a property group, the number and description of the component items comprising the group.

(f) Name, make or manufacturer if applicable.

(g) Year and/or model(s) if applicable.

(h) Manufacturer's serial number(s) if any, and if an automobile, vehicle identification number (VIN) and title certificate number if applicable.

(i) Date acquired.

(j) Cost or value at the date of acquisition for the item or the identified component parts thereof. When the historical cost of the purchased property is not practicably determinable, the estimated historical cost of the item shall be determined by appropriate methods and recorded. Estimated historical costs shall be identified in the record and the basis of determination established in the governmental unit's public records. The basis of valuation for property items constructed by personnel of the governmental unit shall be the costs of material, direct labor and overhead costs identifiable to the project. Donated items, including federal surplus tangible personal property, shall be valued at fair market value at the date of acquisition. Regardless of acquisition method, the cost or value of a property item shall include ancillary charges necessary to place the asset into its intended location and condition for use. Ancillary charges include expenditures that are directly attributable to asset acquisition, such as freight and transportation charges, installation costs and professional fees.

(k) Method of acquisition and, for purchased items, the voucher and check or warrant number.

(l) Date the item was last physically inventoried and the condition of the item at that date.

(m) If disposed of, the information prescribed in rule 69I-73.005, F.A.C.

(n) The local government may include any other information on the individual property record that the governmental unit may care to include.

(4) Control Accounts – A governmental unit-wide control account showing the total cost or value of the custodian's property shall be maintained. A governmental unit may keep additional control accounts for property to the extent deemed necessary for different funds or sub-funds. Control accounts shall not be established by periodically summarizing the costs or values recorded on the individual property records. Rather, entries to control accounts shall be derived from documents evidencing transactions affecting the acquisition, transfer or disposition of property items and shall be posted contemporaneously with entries to the individual property records.

(5) Depreciation shall be recorded to meet local governments' financial reporting requirements relating to depreciation accounting. However, depreciation shall not be recorded on the individual property records or in control accounts in such a manner as to reduce the recorded acquisition cost or value (i.e., depreciation shall be recorded as an item separate from the acquisition cost).

Rulemaking Authority 274.02 FS. Law Implemented 274.02 FS. History--New 3-25-08.

69I-73.004 Marking of Property Records.

(1) Marking of Property – Each property item shall be permanently marked with the identification number assigned to that item to establish its identity and ownership by the governmental unit holding title to the item. The marking shall visually display the property identification number of the item and may include an electronic scanning code (“barcode”) to facilitate electronic inventory procedures.

(2) Exemptions for Marking Property – Any item of property whose value or utility would be significantly impaired by the attachment or inscription of the property identification number, is exempt from the requirement for physical marking. However, the custodian's property records shall contain sufficient descriptive data to permit positive identification of such items.

(3) Location of Marking – Items of a similar nature shall be marked in a similar manner to facilitate identification. In determining a marking location, careful consideration shall be given to the intended use of the items; the probability that the marking could be obliterated by wear, vandalism or routine maintenance functions; and, the appropriateness of the marking method chosen.

Additionally, the location of the marking and the marking method chosen shall not mar the appearance of the item. When utilizing an electronic scanning format system, electronic codes shall be placed on property in the same manner as other markings specified in this section.

Rulemaking Authority 274.02 FS. Law Implemented 274.02 FS. History--New 3-25-08.

69I-73.005 Disposition of Property.

(1) Methods of Disposition – Property within the meaning of these rules may be lawfully disposed of, as provided in sections 274.05, 274.06 and 274.07, F.S. Property of the governmental unit which is not accounted for during regular or special inventories shall be subject to the rules regarding unaccounted for property (See rule 69I-73.006, F.A.C.).

(2) Required Information – The following information shall be recorded on the individual property record for each item lawfully disposed of, pursuant to sections 274.05, 274.06 or 274.07, F.S.:

- (a) Date of disposition.
- (b) Authority for disposition (resolution of the governing body properly recorded in the minutes as required by section 274.07, F.S.).
- (c) Manner of disposition (sold, donated, transferred, cannibalized, scrapped, destroyed, traded).
- (d) Identity of the employee(s) witnessing the disposition, if cannibalized, scrapped or destroyed.
- (e) For items disposed of, a notation identifying any related transactions (such as receipt for sale of the item, insurance recovery, trade-in).
- (f) For property certified as surplus, reference to documentation evidencing that such property was disposed of in the manner prescribed by section 274.05 or 274.06, F.S.

(3) Transfer of Property Records – The individual property record for each item lawfully disposed of as described in this rule shall be, upon disposition of the item, transferred to a disposed property file. Destruction of such records shall be governed by the provisions of chapter 119, F.S.

(4) Control Account – The cost or value of items lawfully disposed of shall be removed from the control account at the time of disposition.

Rulemaking Authority 274.02 FS. Law Implemented 274.02 FS. History--New 3-25-08.

69I-73.006 Inventory of Property.

(1) Physical Inventory Required – Each governmental unit shall ensure a complete physical inventory of all property is taken annually and whenever there is a change of custodian or change of custodian's delegate.

(2) Inventory Forms – The form used to record the physical inventory pursuant to section 274.02(2), F.S., shall be at the discretion of the governmental unit. However, the form shall display at a minimum for each property item, the following information:

- (a) Date of inventory.
 - (b) Identification number.
 - (c) Existence of property item (or not).
 - (d) Physical location (the city, county, address or building name and room number therein).
 - (e) Present physical condition.
 - (f) Name and signature of the employee or other individual attesting to the existence of the item.
 - (g) In the case of a property group, the number and description of the component items comprising the group.
- (3) Electronic scanning format used for the identification number is acceptable only if the recorded data is downloadable to a computer and can then be used to generate reports that will include all information required on the hardcopy inventory form.

(4) Unrecorded Property – Any property item found during the conduct of an inventory which meets the requirements for accounting and control as defined in rule 69I-71.003, F.A.C., and which item is not included on the inventory forms described above, shall have an inventory form created for the item when located. After appropriate investigation to establish the ownership of the item, it shall be added to the governmental unit's property records or, if ownership cannot be reasonably established, the item may be disposed of in the manner provided by law as applicable to surplus property, pursuant to section 274.05 and 274.06, F.S.

(5) Custodian Delegate Shall Not Inventory Certain Items – The custodian delegate shall not personally inventory items for which they are responsible.

(6) Reconciliation of Inventory to Property Records – Upon completion of a physical inventory:

(a) The data listed on the inventory forms shall be compared with the individual property records. Noted differences such as location, condition and custodian shall be investigated and corrected as appropriate or alternatively, the item shall be relocated to its assigned location and custodian in the individual property record.

(b) Items not located during the inventory process shall be promptly reported to the governmental unit which shall cause a thorough investigation to be made. If the investigation determines that the item was stolen, the individual property record shall be so noted, and a report filed with the appropriate law enforcement agency describing the missing item and the circumstances surrounding its disappearance.

(7) Unaccounted for Property – For items identified as unaccounted for and reported to the State’s Chief Financial Officer, recording of the items as dispositions, or otherwise removing of the items from the property records, shall be subjected to approval of the State’s Chief Financial Officer, as provided in section 17.041, F.S., and rule 69I-71.003, F.A.C.

Rulemaking Authority 274.02 FS. Law Implemented 274.02 FS. History--New 3-25-08.

**SUBJECT: PROCEDURE FOR PROPERTY &
INVENTORY CONTROL**

GENERAL:

Florida Statutes (Ch. 274), Florida Administrative Rule, and Board policy 3204 outline the District’s responsibility to account for and monitor tangible personal property. The purpose of this bulletin is to outline the procedures associated with Property & Inventory Control. Board policy **3204: PROPERTY ACCOUNTABILITY AND RESPONSIBILITY** designates that principals shall be the custodians of tangible personal property at the schools and that directors shall be the custodians of tangible personal property for the county support services departments.

These procedures address the major aspects of inventory control including purchasing, transfer/salvage, the requirement to conduct self-inventories and the reporting of tangible personal property loss through theft or vandalism. It shall be the responsibility of the Accounting & Financial Reporting Department - Capital Assets to maintain the District’s Master File of Capital Assets database for tangible personal property valued at \$1,000 or more and **trackable SMART tangible personal property** that has an acquisition value less than \$1,000, is considered high risk and prone to theft and has at least one year useful life and is not consumable in nature (includes but is not limited to musical instruments, iPads, tablets, desktops, printers, interactive white boards and interactive flat panel displays; see **A. Purchasing Tangible Personal Property - SMART Purchases** for detailed procedures regarding SMART purchases), and amend property records based on the submittal of appropriate documentation in accordance with this Business Practice Bulletin, while it shall be the responsibility of the Office of the Chief Auditor to conduct periodic inventory audits.

Although tangible personal property purchases with a unit value less than \$1,000 are not maintained on the District’s Master File of Capital Assets database, property custodians must take appropriate precautions to safeguard and track all tangible personal property (**purchased outside of the SMART program**), especially high risk items such as iPads, tablets, laptops, desktops, printers, interactive white boards and interactive flat panel displays, cameras, audio/video equipment, custodial equipment and musical instruments. Locations must maintain records of these high risk items within a secondary, site-based tracking database. The property custodian will determine the format for maintaining the information contained in the location’s secondary, site-based tracking database (Excel, FileMaker Pro, etc.) unless otherwise mandated by the respective SLT administrator.

A. PURCHASING TANGIBLE PERSONAL PROPERTY – SMART PURCHASES

1. All non-consumable SMART tangible personal property **regardless of cost** must be ordered through the District’s Purchasing system utilizing appropriate coding. (*Exhibit 1 - Detailed procedures for SMART purchasing and receiving*)

SUBJECT: PROCEDURE FOR PROPERTY & INVENTORY CONTROL

2. When ordering SMART tangible personal property, locations are prohibited from purchasing items in “lots”, “bundles”, or “attached lists”. The acquisition of tangible personal property using P-Cards is also prohibited. In order to accurately account for each property item electronically, tangible personal property must be ordered on unique lines of a requisition and the cost center must be the same as the delivery address. SMART purchases must only be ordered via SMART Standard Requisitions/PO’s (PO’s beginning with #42). The Supply Management & Logistics Department will reject all requisitions for tangible personal property not complying with appropriate guidelines.
3. SMART tangible personal property purchases must be assigned one of the following SMART GL accounts.

SMART Purchases - \$1,000 or More

- a. 56210100: AV-Materials-Over \$1,000-SMART
- b. 56410100: Furn/Fix/Equip-Over \$1,000-SMART
- c. 56430100: Computer Equip-Over \$1,000-SMART
- d. 56910100: Software-Over \$1,000-SMART

SMART Purchases – Under \$1,000.00

- a. 56110100: Library Books-SMART
- b. 56220100: AV-Materials-Under \$1,000-SMART
- c. 56420100: Furn/Fix/Equip-Under \$1,000 Non Trackable-SMART
- d. 56421100: Furn/Fix/Equip-Under \$1,000 Trackable-SMART
- e. 56440100: Comp Equip-Under \$1,000 Non Trackable-SMART
- f. 56441100: Comp Equip-Under \$1,000 Trackable-SMART
- g. 56920100: Software: Software-Under \$1,000-SMART

NOTE:

56420100: Furn/Fix/Equip-Under \$1,000 Non Trackable-SMART is to be used when purchasing furniture, fixtures and equipment (excluding musical instruments).

56421100: Furn/Fix/Equip-Under \$1,000 Trackable-SMART is to be used when purchasing musical instruments. These items will be included on the District’s Master File of Capital Assets database.

56440100: Comp Equip-Under \$1,000 Non Trackable-SMART is to be used when purchasing keyboards, mice, wiring for computers and other similar technology/accessories.

**SUBJECT: PROCEDURE FOR PROPERTY &
INVENTORY CONTROL**

56441100: Comp Equip-Under \$1,000 Trackable-SMART is to be used when purchasing iPads, tablets, laptops, desktops, printers, interactive white boards and interactive flat panel displays. These items will be included on the District's Master File of Capital Assets database.

4. The cost center assigned to the SMART tangible personal property purchase must agree to the delivery/ship to address.
5. When SMART tangible personal property is received on-line, the individual must process the goods receipt for each item separately and record the unique serial number for each property item within the system regardless of cost. In the event an item does not physically possess a manufacturer's serial number, the new purchase documentation should be maintained in the site's property binder for future reconciliation and subsequent application of a District assigned serial number for tracking. The word "none" should be utilized when receiving those items online that do not have a manufacturer assigned serial number.
6. Once the District's Master File of Capital Assets has been updated, a report will be generated to notify property custodians of all new property record creation within the District's Master File of Capital Assets and will be available for all locations on OptiSpool. An email will be sent by Information & Technology – Production Control to all principals and their secretaries, district directors and secretaries, and budget keepers each time the Master File of Capital Assets is updated with new purchases of tangible personal property. The property custodian should use this opportunity to verify the accuracy of the information associated with the property records. Any corrections required to the asset record should be promptly reported to Accounting & Financial Reporting - Capital Assets via email to the "Capital Assets Conference." This includes necessary changes to the item description, serial number, or quantities received. Additionally, if the tangible personal property has not been received at the location, and the asset record was mistakenly created for this location, the property custodian should immediately notify Accounting & Financial Reporting - Capital Assets to correct the discrepancy in a timely manner. *(Property custodians will receive the email notification from Information & Technology – Production Control even when new property items have not been created or modifications have been processed to existing property records for their respective location. In such instances, there will be no report contained within their respective location file within OptiSpool.)*
7. All equipment should be stored in a secure location until it is ready for use.

**SUBJECT: PROCEDURE FOR PROPERTY &
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A.1 PURCHASING TANGIBLE PERSONAL PROPERTY

1. All non-consumable tangible personal property with a unit value of \$1,000 or greater must be ordered through the District’s Purchasing system utilizing appropriate coding. *(Exhibit 1A - Detailed procedures for purchasing and receiving)*
2. When ordering tangible personal property, locations are prohibited from purchasing items in “lots”, “bundles”, or “attached lists”. The acquisition of tangible personal property using P-Cards is also prohibited. In order to accurately account for each property item electronically, tangible personal property must be ordered on unique lines of a requisition and the appropriate delivery address should be noted. The Supply Management & Logistics Department will reject all requisitions for tangible personal property not complying with appropriate guidelines.
3. When tangible personal property is received on-line, the individual must process the goods receipt for each item separately and record the unique serial number for each property item within the system. In the event an item does not physically possess a manufacturer’s serial number, the new purchase documentation should be maintained in the site’s property binder for future reconciliation and subsequent application of a District assigned serial number for tracking. The word “none” should be utilized when receiving those items online that do not have a manufacturer assigned serial number.
4. See STANDARD PRACTICE BULLETIN NO:
I-311 Proper recording of donated assets or items purchased utilizing internal funds.
5. Once the District’s Master File of Capital Assets has been updated, a report will be generated to notify property custodians of all new property record creation within the District’s Master File of Capital Assets and will be available for all locations on OptiSpool. An email will be sent by Information & Technology – Production Control to all principals and their secretaries, district directors and secretaries, and budgetkeepers each time the Master File of Capital Assets is updated with new purchases of tangible personal property. The property custodian should use this opportunity to verify the accuracy of the information associated with the property records. Any corrections required to the asset record should be promptly reported to Accounting & Financial Reporting - Capital Assets via email to the “Capital Assets Conference.” This includes necessary changes to the item description, serial number, or quantities received. Additionally, if the tangible personal property has not been received at the location, and the asset record was mistakenly created for this location, the property custodian should immediately notify Accounting & Financial Reporting - Capital Assets to correct the discrepancy in a timely manner. *(Property custodians will receive the email notification from Information & Technology – Production Control even when new property items have not been created or*

**SUBJECT: PROCEDURE FOR PROPERTY &
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modifications have been processed to existing property records for their respective location. In such instances there will be no report contained within their respective location file within OptiSpool.)

6. All equipment should be stored in a secure location until it is ready for use.

B. TRANSFERRING TANGIBLE PERSONAL PROPERTY

1. When a location is permanently transferring tangible personal property to another location, the property custodian is required to execute a 3290A Surplus/Transfer Declaration Form (See **Exhibit 2**).
2. The 3290A Surplus/Transfer Declaration Form must list the BPI Number (Property Asset Number), serial number, model number, and equipment description for each property item being transferred.
3. The 3290A Surplus/Transfer Declaration Form must then be signed by both property custodians (issuing and receiving).
4. In the event the tangible personal property is able to be relocated without the assistance of Material Logistics, the receiving property custodian should then forward the original 3290A Surplus/Transfer Declaration Form to Accounting & Financial Reporting - Capital Assets.
 - a. Accounting & Financial Reporting - Capital Assets will send an email confirmation to the property custodians upon receipt of the form and documentation.
 - b. Accounting & Financial Reporting - Capital Assets will modify the property records to reflect the transfer of the applicable tangible personal property.
 - c. Within five business days of receiving notification, the transfer request will be processed by Accounting & Financial Reporting - Capital Assets and locations will be contacted for any additional information. The property custodian should verify the applicable property records have been removed from their property inventory by actively monitoring the OptiSpool PNI 954 A, B, & C report(s), or by requesting a PNI 811 report from Information & Technology – Production Control.
 - d. The locations should maintain copies of all pertinent documentation for their files to facilitate any necessary reconciliation during subsequent inventory audits. Transfer documentation that is greater than 90 days old will not be accepted during the property audit of tangible personal property.

SUBJECT: PROCEDURE FOR PROPERTY & INVENTORY CONTROL

5. In the event assistance is required to relocate the tangible personal property, the receiving property custodian should forward the original 3290A Surplus/Transfer Declaration Form to the Manager, Material Logistics at the Warehouse.
 - a. Material Logistics will then arrange for the physical transfer of the tangible personal property. The issuing and receiving locations should ensure the actual tangible personal property corresponds to the information identified on the 3290A Surplus/Transfer Declaration Form at the time of pick-up and delivery.
 - b. Material Logistics will forward the original 3290A Surplus/Transfer Declaration Form along with the B-stock pick-up acknowledgment form (**See Exhibit 3**) to Accounting & Financial Reporting - Capital Assets.
 - c. Accounting & Financial Reporting Department - Capital Assets will send an email confirmation to the property custodians upon receipt of the form and documentation.
 - d. Within five business days of receiving notification, the transfer request will be processed by Accounting & Financial Reporting Department - Capital Assets and locations will be contacted for any additional information. The property custodian should verify the applicable property records have been removed from their property inventory by actively monitoring the OptiSpool PNI 954 A, B, & C report(s), or by requesting a PNI 811 report from Information & Technology – Production Control.
 - e. The locations should maintain copies of all pertinent documentation for their files to facilitate any necessary reconciliation during subsequent inventory audits. Transfer documentation that is greater than 90 days old will not be accepted during the property audit of tangible personal property.

C. ASSIGNMENT OF TANGIBLE PERSONAL PROPERTY TO STAFF

1. It is recognized that tangible personal property will be assigned to staff for temporary removal of the property from the primary operational site location. In such instances, a Property Pass (**See Exhibit 4**) must be executed to document the assignment and removal of capital equipment from the location.
2. A unique Property Pass must be completed for each piece of tangible personal property removed from the location.

Property Passes must be updated annually or as needed to ensure the physical accounting and proper return of the District’s capital equipment.

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D. CONDUCTING SEMI-ANNUAL INVENTORIES

1. All locations are minimally required to conduct semi-annual inventories 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.
2. The location will request an electronic copy of its PNI 811 report from Information & Technology – Production Control.
3. Appropriate staff will physically verify each property item listed on the PNI 811 report is accounted for on premises or there is a current Property Pass executed for tangible personal property assigned to individuals.
4. Locations shall surplus tangible personal property twice per year in accordance with conducting their self-inventories (See **F. SURPLUS OF TANGIBLE PERSONAL PROPERTY**).
5. After completing the self-inventory, the property custodian shall complete the Semi-Annual Inventory Form (See **Exhibit 5**) and forward a copy of it to their respective SLT administrator.

E. REPORTING THEFT OR VANDALISM OF TANGIBLE PERSONAL PROPERTY

1. All locations must take appropriate measures to ensure the safekeeping of all tangible personal property. This includes securing all high-theft equipment during hours of non-operation.
2. To the extent possible, tangible personal property should be designated to individual staff that is requested to oversee the equipment and report any loss or theft to appropriate administration in “real-time”. Additionally, tangible personal property that is not utilized on a day-to-day basis should be stored in a secured location, and the appropriate staff should physically verify this property as needed to provide the most effective means of securing tangible personal property.
3. In the event of theft or vandalism, the property custodian will report the loss to the Broward District Schools Police Department (BDSPD) and the local authorities at the time of the incident. As a component of the police report and the BDSPD’s Immediate Notification Form (See **Exhibit 6**), the location must provide all applicable property and serial numbers of the stolen tangible personal property along with a narrative of the event. This should be completed within 2 business days from when the incident is known or should have been known.

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4. The location must then complete a **03290** Tangible Property Loss/ Equipment Acquisition Form (**See Exhibit 7**) listing all of the tangible personal property items which were stolen. The form must contain all of the appropriate identifiable information and be signed by the property custodian.
5. The original **03290** Tangible Property Loss/ Equipment Acquisition Form, with a copy of the Immediate Notification Form and the police report attached, should then be forwarded to Accounting & Financial Reporting Department - Capital Assets for record amendment. After allowing an appropriate period of time for the loss to be processed, the location should verify the applicable property records have been amended to reflect the loss by requesting an electronic **DOWNLOAD** of the location's PNI 811 report from Information & Technology – Production Control. In the event property records have not been appropriately amended, the location should follow-up with Accounting & Financial Reporting Department - Capital Assets to ascertain the processing status of the submitted documentation.
6. The location must maintain copies of all pertinent documentation for their files in order to efficiently facilitate any necessary reconciliation during subsequent property and inventory audits.
7. A record of all reported losses will be maintained by the District for the purpose of analyzing loss trends. In the event there is a trend of loss at the same location or any individual loss event is significant in magnitude, a review of the circumstances involved with the loss will be conducted in an effort to prevent similar losses in the future. This review will be conducted by representatives from the following departments: Broward District Schools Police, Risk Management, and Information & Technology. Following the review, recommendations will be made to enhance the security measures at the location in an effort to prevent similar losses in the future. These recommendations may include, but are not limited to:
 - a. Modification to the receipt and storage of asset equipment at the location
 - b. Modification of existing surveillance systems within the location
 - c. Installation of additional security devices/equipment at the location
 - d. Increased frequency of self – inventories of asset equipment
 - e. Installation of passive or active security devices within high-risk equipment items

These recommendations are not a component of the property and inventory audit performed by the Office of the Chief Auditor.

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F. SURPLUS OF TANGIBLE PERSONAL PROPERTY

1. Periodically, the location should surplus any obsolete or damaged tangible personal property in order to remove these records from their property inventory. Locations shall surplus tangible personal property twice per year in accordance with their self-inventories conducted semi-annually (See **D. CONDUCTING SEMI-ANNUAL INVENTORIES**).
2. The location should complete a 3290A Surplus/Transfer Declaration Form to identify the tangible personal property to be salvaged.
3. The 3290A Surplus/Transfer Declaration Form must list the BPI Number (Property Asset Number), serial number, model number, and equipment description for each property item being surplussed. The 3290A Surplus/Transfer Declaration Form must then be signed and dated by the property custodian and adequate explanation/documentation provided for surplussing the tangible personal property (See section **F.11** for instructions on surplussing Buses, Vehicles, and Trailers).
4. The location should make a copy of the 3290A Surplus/Transfer Declaration Form(s) for their record and forward the original to the Manager, Material Logistics at the Warehouse.
5. The Warehouse will arrange to pick-up the tangible personal property designated for surplus from the applicable location. A work order document will be provided to the property custodian at each location to certify removal activity.
6. After confirming the pick-up of the property items, the Manager, Material Logistics will forward the 3290A Surplus/Transfer Declaration Form along with the B-stock pick-up acknowledgment form to Accounting & Financial Reporting Department - Capital Assets for processing.
7. Accounting & Financial Reporting Department - Capital Assets will send an email confirmation to the property custodian upon receipt of the form and documentation.
8. Accounting & Financial Reporting Department - Capital Assets will process the 3290A Surplus/Transfer Declaration Form and remove the property records from the location's property inventory.
9. Within five business days of receiving notification, the 3290A Surplus/Transfer Declaration Form will be processed by Accounting & Financial Reporting Department - Capital Assets and locations will be contacted for any additional information. The property custodian should verify that the property records have

SUBJECT: PROCEDURE FOR PROPERTY & INVENTORY CONTROL

been removed from the property inventory by requesting a PNI 811 from Information & Technology – Production Control.

10. The location should maintain copies of all pertinent documentation for their files to facilitate any necessary reconciliation during subsequent property and inventory audits.
11. To enhance the accountability associated with Property and Inventory, the procedures for the surplus of buses, vehicles, and trailers require the following steps:
 - a. The location must complete a 3290A Surplus/Transfer Declaration Form to identify buses, vehicles, and trailers to be salvaged.
 - b. The 3290A Surplus/Transfer Declaration Form must list the BPI Number (Property Asset Number), serial or VIN number, model number, and equipment description for each property item being surplussed. The 3290A Surplus/Transfer Declaration Form must then be signed and dated by the property custodian and adequate explanation/documentation provided for surplussing the tangible personal property.
 - c. The location should make a copy of the 3290A Surplus/Transfer Declaration Form(s) for their record and forward the original to Accounting & Financial Reporting Department – Capital Assets for processing.
 - d. Accounting & Financial Reporting Department – Capital Assets will send an email confirmation to the property custodian upon receipt of form and documentation, and will mark the asset with a status of “P” for “Pending Disposal.” The asset will remain in the location’s inventory until final proof of disposition is submitted to Accounting & Financial Reporting Department – Capital Assets.
 - e. The location must submit proof of the asset’s final disposition to Accounting & Financial Reporting – Capital Assets to remove the property records from the location’s property inventory. The proof of final disposition can be submitted in either of the following methods:
 - i. A bill of Sale or a copy of receipt from the contracted auctioneer or,
 - ii. Other proof of disposal, such as a pick-up ticket, trade-in receipt, a copy of receipt from a licensed scrap dealer, an invoice from a metal crushing company, a donation letter to a registered charity or community organization, documented evidence of dumping assets of no or little value, or other auditable supporting documentation.

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- f. Upon receipt of the asset’s final disposition, Accounting & Financial Reporting – Capital Assets will remove the “Pending Disposal” status from the asset, which will subsequently remove the asset’s property records from the location’s property inventory.

G. EXECUTION OF TANGIBLE PERSONAL PROPERTY DOCUMENTATION BY DESIGNEES

- 1. Board policy **3204: PROPERTY ACCOUNTABILITY AND RESPONSIBILITY** designates that principals shall be the custodians of tangible personal property at the schools and that directors shall be the custodians of tangible personal property for the county support services departments.
- 2. Principals and Directors are to execute all documentation associated with tangible personal property.
- 3. Principal and Director Designees may execute documentation associated with tangible personal property in the absence of a property custodian in order to avoid disruption of daily operations. In such instances, the property custodian must also sign such documentation upon their return to the location, or as soon as practical.

H. PROPERTY AUDITS OF TANGIBLE PERSONAL PROPERTY

- 1. Periodically, the Office of the Chief Auditor (OCA) will conduct a property and inventory audit for locations. The purpose of this audit will be to verify the physical presence of tangible personal property designated on a location’s property inventory and to ensure appropriate controls are in place to safeguard the location’s tangible personal property. This will include a cursory review of the safeguards associated with high-risk items maintained within the location’s secondary database (as previously defined by this Business Practice Bulletin). Accounting & Financial Reporting Department - Capital Assets will be notified by OCA when a location is being audited and upon completion of the audit so that the property records for the location are not altered during the duration of an audit.
- 2. OCA staff will then issue a preliminary report identifying the property items which could not be physically located or did not have appropriate documentation to support their absence.
- 3. The location will be provided a reconciliation period to locate the unaccounted tangible personal property or provide supplemental documentation to substantiate their physical location.

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4. The OCA will then issue a final audit report to the property custodian, identifying the final discrepancy list and outlining any material weaknesses associated with the location's inventory control. A copy of the final discrepancy report will also be forwarded to Accounting & Financial Reporting Department - Capital Assets 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** Tangible Property Loss/ Equipment Acquisition Form signed by the property custodian with invoices or estimated values authorizing Accounting & Financial Reporting Department - Capital Assets to add these property items to the Master File of Capital Assets database.
5. The property custodian must provide a response to the final report findings via the respective SLT administrator, outlining a corrective action plan designed to address the property audit exceptions and improve operational standards at the location.
6. The respective SLT administrator must then provide written correspondence to the OCA confirming their support of the action plan. This correspondence will be included in the final audit report.
7. The complete property audit will then be presented to the District's Audit Committee at their next regularly scheduled meeting.
8. The property audit report will subsequently be transmitted to the School Board at a regularly scheduled School Board meeting.

APPROVED BY: CABINET

DATE: 8/1/17

CABINET MEMBER SIGNATURE: _____



REQUISITION PROCEDURES FOR SMART AND GENERAL OBLIGATION BOND (GOB) FUNDS ONLY

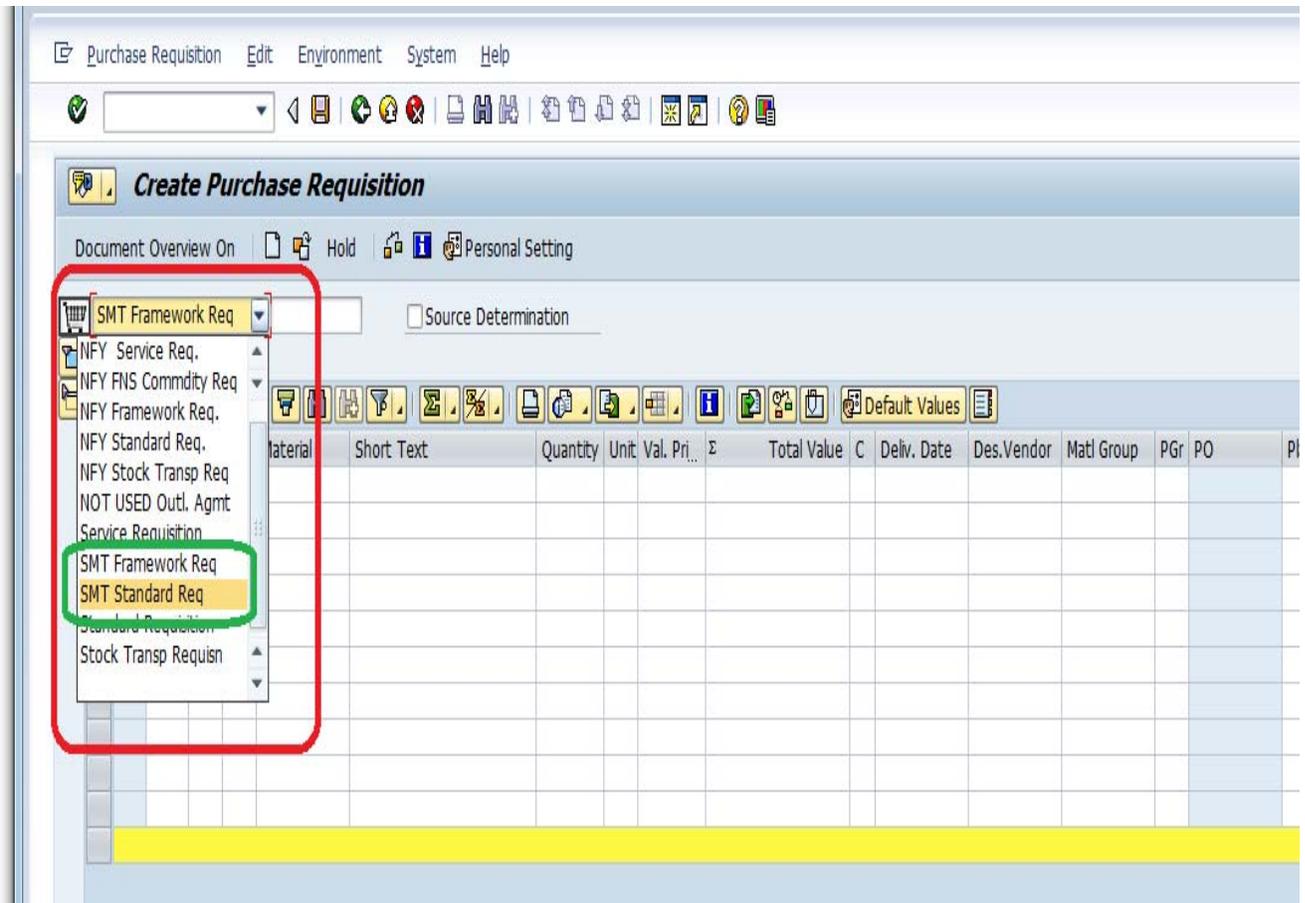
Follow the instructions and guidelines in this document to place orders for SMART and/or GOB purchases. Please note that there are different document types to use when creating requisitions for SMART/GOB orders. These document types must be used when creating SMART/GOB orders. The number sequence for requisitions and Purchase Orders for SMART/GOB orders will be different than Non SMART/GOB orders. Capital Budget will budget funds by location and instruct those locations in which fund to apply to the SMART/GOB requisition. Refer to Business Practice Bulletin O-100 – Procedure for Property & Inventory Control for updates on the SMART/GOB procedures.

1. SMART/GOB Purchase Requirements:

- A. Purchases must be assigned the appropriate GL account as listed herein
- B. Items cannot be ordered in lots, bundles or attached lists
- C. Ship to address must be the same as requested Storage location (SLoc).
- D. Ship to address must include location within the building (room/fishe number)
- E. P – Cards are not to be used with Smart/Bond Funds

2. SMART/GOB Document Type:

- A. DO NOT mix Smart/GOB and non-Smart/GOB items on the same requisition
- B. Use document type SMT Standard for standard SMART/GOB requisition orders (see illustration)
- C. Use document type SMT Framework for framework SMART/GOB requisition orders (see illustration)



3. SMART Numbering Sequence:

- A. SMT requisitions will begin with 30xxxxxx
- B. SMT standard PO's will begin with 42
- C. SMT framework PO's will begin with 85

4. Capital Projects Fund (Major Fund)/WBS Element:

- A. Separate Capital Projects funds will be utilized for each GOB. Fund 3541 will be used for GOB1, 3542 for GOB2. Please contact Capital Budget for the correct fund to use
- B. WBS Element or Functional Area (for Technology) will be utilized per SMART/GOB project
 - I. Capital Budget to provide WBS Element and Functional Area data to use when ordering/tracking SMART/GOB expenditures

5. SMART/GOB Capitalized General Ledger (GL) accounts:

- A. Technology Equip.: Computer Equipment \$1,000 or more, use [56430100](#)
- B. Other Equip.:
 - I. Audio Visual Material \$1,000 or more, use [56210100](#)

- II. Furniture, Fixtures & Equipment \$1,000 or more, use 56410100
- C. Software \$1,000 or more use 56910100
- D. Building, Fixed Equipment, Land and Remodeling/Renovations:
 - I. Buildings & Fixed Equipment, use 56310100
 - II. Land, use 56610100
 - III. Capitalized Improvement other than Bldg. (Short Term), use 56710100
 - IV. Capitalized Improvement other than Bldg. (Long Term), use 56730100
 - V. Capitalized Permanent Land Improvements, use 56740100
 - VI. Capitalized Remodeling/Renovations, use 56810100
 - VII. Buses and motor vehicles, use 56510100 (buses) and 56520100 (motor vehicles)
 - VIII. WBS Element or Functional Area data will be used per Project and will be provided by Capital Budget

6. SMART/GOB Non-Capitalized (\$999.99 or less) General Ledger (GL) accounts:

- A. Computer Equipment Non-Trackable \$999.99 or less, use 56440100
(Includes but is not limited to keyboards, mice, wiring and other similar technology/accessories not tracked per PROP)
- B. Computer Equipment Trackable \$999.99 or less, use 56441100
(Includes but is not limited to iPads, tablets, laptops, desktops, printers, interactive white boards and interactive flat panel displays. Expenditures recorded using this GL account code will be tracked per PROP.)
- C. Other Equip.:
 - I. Library Books, use 56110100
 - II. Audio Visual Material \$999.99 or less, use 56220100
 - III. Furniture, Fixtures & Equipment \$999.99 or less Non Trackable, use 56420100
 - IV. Furniture, Fixtures & Equipment \$999.99 or less Trackable, use 56421100 (musical instruments)
 - V. Software \$999.99 or less, use 56920100
- D. Buildings, Fixed Equipment, Land and Remodeling/Renovations:
 - I. Non-Capitalized Improvement other than Bldg. (SMART Off site), use 56720100
 - II. Non-Capitalized Remodeling/Renovations, use 56820100

7. Tangible Personal Property (TPP) and non-TPP SMART/GOB purchases over/under \$1,000

- A. TPP is defined as items with account coding 5611, 562X, 564X and 569X
- B. Receiving for TPP trackable over/under \$1,000
 - I. Serial numbers are required to be recorded for all TPP received, regardless of cost
 - II. Receiving personnel must review WBS or Functional area coding to determine funding source (SMART or GOB)
- C. SMART/GOB TPP in PROP over/under \$1,000
 - I. SMART or GOB purchases will have a separate sequential BPI number to identify type of purchase
 - II. The “Location” field will use an identifier of GOBx or SMTx to identify the type of purchase
 - III. The “Project” field will be used to track the actual physical location of the asset purchase
 - IV. These items shall follow the same Surplus and Transfer forms process and procedures as indicated in Business Practice Bulletin O-100 regardless of cost

8. Charter Schools and SMART/GOB:

- A. Fixed assets will be purchased directly by BCPS for Charter Schools following the same process and procedures as indicated in this document
- B. Charter Schools must follow the same budget mechanism as used for other Charter School purchases
- C. Business Support Center (BSC) personnel will create purchase requisitions following guidelines specified for Charter Schools
- D. Purchases will be tracked by Cost Center. All technology/electronic equipment (i.e. monitors, docking stations, etc.) will be tracked
- E. OptiSpool and PROP reports will be utilized to track Charter Schools
- F. Office of Chief Auditor shall be notified of all items shipped to Charter Schools