

Topic: MSD Funds

Staff Follow Up: The Audit Committee to receive information on the \$25 million provided to the District by the State Legislature for MSD. The Committee would like to know:

1. if \$18 million has been committed.
2. information on the difference.
3. where the money currently is?
4. what has been spent?
5. where the funds are coming from to pay for the demolition?

The Committee would like to have:

6. estimates on cost and cost of demolition.
7. a spreadsheet on beginning balance and amounts used/spent and ending balance.
8. paper confirmation that the \$1 million is readily available.
9. all invoices on what is spent or the reimbursement packages.
10. data on project 002299 – MSD demolition of building 12 and site restore. **Audit-062323-01**

Response:

### **Background**

The 2018 Florida Legislature approved Senate Bill 7026 and it became effective on March 9, 2018. Section 38 appropriated \$1 million in nonrecurring funds for the design and construction of a memorial honoring those who lost their lives on February 14, 2018. Section 39 appropriated \$25,262,714 in nonrecurring funds for the purpose of replacing Building 12 at Marjory Stoneman Douglas High School (MSD).

#### Ch. 2018-3, § 38, Laws of Fla.

For the 2018-2019 fiscal year, the sum of \$1 million in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Education for the design and construction of a memorial honoring those who lost their lives on February 14, 2018, at

Marjory Stoneman Douglas High School in Broward County. The department shall collaborate with the students and faculty of Marjory Stoneman Douglas High School, the families of the victims, the Broward County School District, and other relevant entities of the Parkland community on the design and placement of the memorial.

Ch. 2018-3, § 39, Laws of Fla.

For the 2018-2019 fiscal year, the sum of \$25,262,714 in nonrecurring funds is appropriated from the General Revenue Fund to the Department of Education for the purpose of replacing Building 12, as listed in the Florida Inventory of School Houses, at Marjory Stoneman Douglas High School in Broward County.

These funds are included on the Florida Department of Education (DOE) - Fixed Capital Outlay Project Disbursement Report (Florida DOE OEF 442). Below is a copy of the MSD funds information on the FL DOE form OEF 442 as of May 31, 2023.

**Table 1**

FILE 26.585

RETURN OEF 442 TO:

FIXED CAPITAL OUTLAY OFFICE

FLORIDA DEPARTMENT OF EDUCATION

325 WEST GAINES STREET, SUITE 1222B

TALLAHASSEE, FLORIDA 32399-0400

FLORIDA DEPARTMENT OF EDUCATION

OEF ACCOUNTING INFORMATION SYSTEM

DOE PROJECT DISBURSEMENT REPORT AS OF 05/31/23

TO BE RETURNED BY 06/30/23

FULLY EXPENDED RECORDS BYPASSED

AGENCY 306 BROWARD COUNTY SCHOOL DIST.

TYPE P PROJECT INFORMATION

FUND 03 GENERAL REVENUE

OEF

APPR D	FISC I	PROJ	PROJECT NAME	CURRENT APPROPRIATION	AUTHORIZED ENCUMBRANCES	DISBURSEMENT AT PRESENT
YEAR V	CODE					
1819 31	W512	MARJORY STONEMAN DOUGLAS MEM		1,000,000.00	1,000,000.00	0.00
1819 31	W513	MARJORY STONEMAN DOUGLAS BLDG		25,262,714.00	25,262,714.00	23,950,000.00

Current Appropriation: the amounts appropriated by the 2018 FL Legislature for MSD

Authorized Encumbrances: the amounts approved by FL DOE for the District to use and request for estimated current and future expenditures.

Disbursement at Present: the amount of cash that has been approved and wired to the District to fund expenditures.

Replacing Building 12 (the 1200 Building)

Three sub-projects were established to complete the work required to replace the 1200 Building at MSD.

- 1) P.002219 – Temporary Modular Classrooms
- 2) P.002185 – New Addition / The New 1500 Classroom Building
- 3) P.002299 – Demolish 1200 Building and Restore the Site

Table 2 below shows the details of the three projects to replace the 1200 Building:

**Table 2**

<b>Construction Project Budget Status</b>					
<b>Project</b>	<b>Project Description</b>	<b>Budget</b>	<b>Purchase Orders</b>	<b>Expenditures</b>	<b>Project Balance</b>
P.002219	Modular Classrooms	\$ 6,040,611.10	\$ 0.00	\$ 6,040,611.10	\$ 0.00
P.002185	New Addition	17,800,000.00	47,085.49	16,839,987.11	912,927.40
P.002299	Demo bldg & site restoration	1,422,102.90	48,247.82	60,482.98	1,313,372.10
<b>Total</b>		<b>\$ 25,262,714.00</b>	<b>\$ 95,333.31</b>	<b>\$ 22,941,081.19</b>	<b>\$ 2,226,299.50</b>

The difference between the disbursement at present from Table 1 and the expenditures shown on Table 2 result with a cash balance at the District of \$1,008,918.81 as shown in Table 3 below:

**Table 3**

<b>BCPS Funds Received from FL DOE</b>	<b>District Expenditures</b>	<b>BCPS Cash Balance</b>
<b>\$ 23,950,000.00</b>	<b>\$ 22,941,081.19</b>	<b>\$ 1,008,918.81</b>

---

**Responses to items 1-10:**

1. If \$18 million has been committed.
2. Information on the difference.

**Combined Response for items 1 & 2:**

- The temporary modular classroom project was completed at a total cost of \$6,040,611.
- The new addition project is nearing full financial closeout. As the final invoices are received, reviewed, and paid, any unused balances will be shifted to the Project Balance and are only available for the District to use as described in Section 39 of the enacting legislation as shown on page 1. Currently \$16,887,073 is committed for the new building addition project (purchase orders + expenditures), most of which is fully expended (see expenditures in Table 2).
- Currently \$108,731 of the demolition project is committed (purchase orders + expenditures).
- Total committed for all three projects is \$23,036,414.  
(\$95,333 purchase orders + \$22,941,081 expenditures, see Table 2)

3. Where the money currently is?

**Response**

- The FL DOE has the \$2,312,714 that has not been disbursed to the District. These funds are available to be drawn down by the District at the time when they are needed to pay costs associated with the relevant projects (see Table 4):

**Table 4**

<b>State Funds Status</b>			
<b>Project</b>	<b>State Appropriation</b>	<b>Disbursement to Date</b>	<b>Balance with State</b>
Replacing the 1200 Building Funding	\$ 25,262,714.00	\$ 23,950,000.00	\$ 1,312,714.00
Memorial Funding	1,000,000.00	0.00	1,000,000.00
	<b>\$ 26,262,714.00</b>	<b>\$ 23,950,000.00</b>	<b>\$ 2,312,714.00</b>

- The District has a current cash balance of \$1,008,918. This is the BCPS Funds Received from FL DOE (also Disbursement to Date) less District Expenditures shown in Table 5:

**Table 5**

<b>BCPS Funds Received from FL DOE</b>	<b>District Expenditures</b>	<b>BCPS Cash Balance</b>
<b>\$ 23,950,000.00</b>	<b>\$ 22,941,081.19</b>	<b>\$ 1,008,918.81</b>

4. What has been spent?

**Response**

- The District has spent \$22,941,081 as detailed in the Table 6 below:

**Table 6**

<b>Construction Project Budget Status</b>					
<b>Project</b>	<b>Project Description</b>	<b>Budget</b>	<b>Purchase Orders</b>	<b>Expenditures</b>	<b>Project Balance</b>
P.002219	Modular Classrooms	\$ 6,040,611.10	\$ 0.00	\$ 6,040,611.10	\$ 0.00
P.002185	New Addition	17,800,000.00	47,085.49	16,839,987.11	912,927.40
P.002299	Demo bldg & site restoration	1,422,102.90	48,247.82	60,482.98	1,313,372.10
	<b>Subtotal</b>	<b>\$ 25,262,714.00</b>	<b>\$ 95,333.31</b>	<b>\$ 22,941,081.19</b>	<b>\$ 2,226,299.50</b>
<b>Memorial Project Budget Status</b>					
<b>Project</b>	<b>Project Description</b>	<b>Budget</b>	<b>Purchase Orders</b>	<b>Expenditures</b>	<b>Project Balance</b>
P.002300	Memorial	\$ 1,000,000.00	\$ 0.00	\$ 0.00	\$ 1,000,000.00
	<b>Subtotal</b>	<b>1,000,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,000,000.00</b>
	<b>Total</b>	<b>\$ 26,262,714.00</b>	<b>\$ 95,333.31</b>	<b>\$ 22,941,081.19</b>	<b>\$ 3,226,299.50</b>

5. Where are the funds coming from to pay for the demolition?

**Response**

- The funds for the demolition of the 1200 building are from the state appropriation of \$25,262,714 in nonrecurring funds for the purpose of replacing Building 12.

6. Estimates on cost and cost of demolition.

**Response**

- The estimated cost of the demolition work is \$600,000. There will also be additional costs to restore the site.

7. A spreadsheet on beginning balance and amounts used/spent and ending balance.

**Response**

**Table 7**

<b>Construction Project Budget Status</b>					
<b>Project</b>	<b>Project Description</b>	<b>Budget</b>	<b>Purchase Orders</b>	<b>Expenditures</b>	<b>Project Balance</b>
P.002219	Modular Classrooms	\$ 6,040,611.10	\$ 0.00	\$ 6,040,611.10	\$ 0.00
P.002185	New Addition	17,800,000.00	47,085.49	16,839,987.11	912,927.40
P.002299	Demo bldg & site restoration	1,422,102.90	48,247.82	60,482.98	1,313,372.10
<b>Subtotal</b>		<b>\$ 25,262,714.00</b>	<b>\$ 95,333.31</b>	<b>\$ 22,941,081.19</b>	<b>\$ 2,226,299.50</b>
<b>Memorial Project Budget Status</b>					
<b>Project</b>	<b>Project Description</b>	<b>Budget</b>	<b>Purchase Orders</b>	<b>Expenditures</b>	<b>Project Balance</b>
P.002300	Memorial	\$ 1,000,000.00	\$ 0.00	\$ 0.00	\$ 1,000,000.00
<b>Subtotal</b>		<b>1,000,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,000,000.00</b>
<b>Total</b>		<b>\$ 26,262,714.00</b>	<b>\$ 95,333.31</b>	<b>\$ 22,941,081.19</b>	<b>\$ 3,226,299.50</b>

8. Paper confirmation that the \$1 million is readily available.

**Response**

- Below (Table 8) is an image of the Florida Department of Education OEF 442 Form showing the \$1,000,000 in the Authorized Encumbrance column indicating the funds are available to be requested for disbursement from the State when the District has expectations for expenditures during the current/following month:

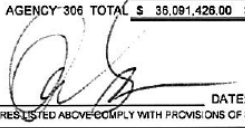
**Table 8**

RETURN OEF 442 TO:  
 FIXED CAPITAL OUTLAY OFFICE  
 FLORIDA DEPARTMENT OF EDUCATION  
 325 WEST GAINES STREET, SUITE 1222B  
 TALLAHASSEE, FLORIDA 32399-0400

FLORIDA DEPARTMENT OF EDUCATION  
 OEF ACCOUNTING INFORMATION SYSTEM  
 DOE PROJECT DISBURSEMENT REPORT AS OF 5/31/23  
 TO BE RETURNED BY 6/30/23  
 FULLY EXPENDED RECORDS BYPASSED

AGENCY 306 Agency Name Broward County School Dist.

Appr Fiscal Year	Div	Proj Code	Project Name	OEF			LOCAL (based on the most current local information available)			
				Current Appropriation	Authorized Encumbrance	Present Disbursement	Total Encumbrance to Date	Interest Earned Thru Prior Month	Expenditure through Prior Period	Estimated Expenditures Cum/Next Month
1819	31	W512	MARJORY STONEMAN DOUGLAS MEM	\$ 1,000,000.00	\$ 1,000,000.00					0.00
1819	31	W513	MARJORY STONEMAN DOUGLAS BLDG	\$ 25,262,714.00	\$ 25,262,714.00	\$ 23,950,000.00	\$ 23,950,000.00		\$ 23,213,742.00	735,258.00
2021	31	Y600	ED FACILITIES SECURITY GRANT	\$ 3,992,410.00	\$ 3,992,410.00	\$ 3,992,410.00	\$ 3,992,410.00		\$ 3,001,765.00	990,655.00
2122	31	Z600	ED FACILITIES SECURITY GRANT	\$ 4,042,426.00	\$ 4,042,426.00	\$ 773,231.00	\$ 773,231.00		\$ 773,231.00	0.00
2223	31	C600	ED FACILITIES SECURITY GRANT	\$ 1,793,876.00	\$ -	\$ -	\$ -		\$ -	0.00
FUND 03 TOTAL				\$ 36,091,426.00	\$ 34,297,550.00	\$ 28,715,641.00	\$ 28,715,641.00	-	\$ 26,988,728.00	\$ 1,726,913.00
AGENCY 306 TOTAL				\$ 36,091,426.00	\$ 34,297,550.00	\$ 28,715,641.00	\$ 28,715,641.00	\$ -	\$ 26,988,728.00	\$ 1,726,913.00

AUTHORIZING SIGNATURE:  DATE: 6/28/2023  
 THE ABOVE SIGNATURE CERTIFIES THAT EXPENDITURES LISTED ABOVE COMPLY WITH PROVISIONS OF SECTIONS 1013.65(3), FLORIDA STATUTES.

Has this request has been entered online? Yes [ ] No [X]

Your agencies reported cash on hand (COH) is \$ 1,726,913.00  
 This draw request is \$ -

9. All invoices on what is spent or the reimbursement packages.

**Response**

- Copies of all invoices have been loaded into a cloud storage location for the Audit Committee members to access and review.
- Each Audit Committee member will receive an email with a link from the Chief Auditor to the cloud storage location.

10. Data on project 002299 – MSD demolition of building 12 and site restore.

**Response**

**Table 9**

Project	Project Description	Budget	Purchase Orders	Expenditures	Project Balance
P.002299	Demo bldg & site restoration	1,422,102.90	48,247.82	60,482.98	1,313,372.10

PBL/JMM/EM/OS:kw



17. Motion 1a – The response supporting documents to this motion are voluminous and will not be printed. The documents can be accessed through the link on the Chief Auditor's website at [browardschools.com/audit](https://browardschools.com/audit) in the August 3, 2023 meeting file on the Agenda. The link will also be emailed to the Audit Committee members.