

INTERNAL AUDIT REPORT

**Property and Inventory Audit of Selected Locations
2023 - 2024**



To be presented to the:

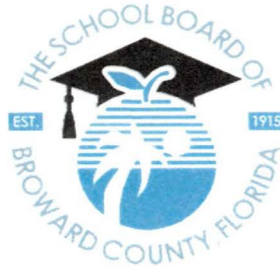
**Audit Committee on
February 29, 2024**

and

**The School Board of Broward County, Florida
on April 16, 2024**

by

The Office of the Chief Auditor



Lori Alhadeff, Chair
Debra Hixon, Vice Chair

Torey Alston
Brenda Fam, Esq.
Daniel P. Foganholi
Dr. Jeff Holness
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Superintendent of Schools

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

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Peter B. Licata, Ed.D.
Superintendent of Schools

February 29, 2024

Members of the School Board of Broward County, Florida

Members of the Audit Committee of the School Board of Broward County, Florida

Dr. Peter B. Licata, Superintendent of Schools

Ladies and Gentlemen:

We have performed a review of Property and Inventory Control of selected locations, pursuant to Florida Statue Chapter 274, Florida Administrative Code Chapters 69I-71 and 73, School Board Policy 1700, and Business Practice Bulleting O-100.

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

- Items that are at the location and are accounted for,
- Items that were not available for review prior to the issuance of this report,
- Items that 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 appropriate District forms,
- Items that have been declared surplus or obsolete and are supported by the appropriate District forms and,
- Items that have been purchased and verified to comply 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 nine (9) property and inventory control audits. Our audits indicated that seven (7) locations in the report complied with prescribed laws, codes, policies, and procedures. Two (2) locations yielded audit findings.

We wish to express our appreciation to the administration and staff of the various locations 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 Office of the Chief Auditor has audited the inventory records of Tangible Personal Property for the Departments/Schools listed in Section I of this report in accordance with Generally Accepted Government Auditing Standards issued by the Comptroller of the United States, School Board Policy 1700, and the Audit Plan for Fiscal Year 2023-2024.

SCOPE, OBJECTIVES AND METHODOLOGY

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

- Items which are at the location and are accounted for,
- Items that were not available for review prior to the issuance of this report,
- Items that 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 that have been declared surplus or obsolete and are supported by the proper District forms.
- Items that have been purchased and are verified to comply with appropriate purchasing guidelines.

Supervision and control of property is the responsibility of the Custodian, who are required to implement corrective actions and to comply with applicable laws, regulations, and School Board policies.

It is our responsibility to perform audits under generally accepted government auditing standards, as well as provide recommendations to improve operations, strengthen internal controls and ensure compliance with the requirements of laws, rules and regulations in matters selected for review.

AUDIT FINDING:

An issue that may involve a deficiency in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; or instances of fraud. Elements of a finding generally include criteria, condition, cause, and effect or potential effect, and relevant recommendations.

Audit Findings result from unaccounted for property and/or significant weaknesses in internal controls. These are listed in Section II of this report with recommendations to correct them.

SECTION I: Summary
Property and Inventory Control Audits
Performed

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
The Office of the Chief Auditor
Property and Inventory Control Audit

The following table summarizes the property and inventory audits finalized as of January 26, 2024.

Area	Name	Asset Total	Total Asset Value	Total Quantity Unaccounted For Assets	Total Value Unaccounted For Assets	Audit Finding	Page No.
Department	9514 Official School Board Records	14	\$26,589.00	0	N/A	No	N/A
Department	9603 Facilities Design & Construction	247	\$329,961.71	8	\$1,224.00 ¹	No	pg. 9
Department	9652 Talent Acquisition & Operations	78	\$75,829.82	0	N/A	No	N/A
Department	9656 Compensation & HR Support Services	15	\$16,453.99	0	N/A	No	N/A
Department	9704 Treasure's Office	30	\$57,210.65	0	N/A	No	N/A
Department	9706 Payroll	56	\$95,096.23	0	N/A	No	N/A
Department	9709 Legislative Affairs	15	\$13,822.36	1	\$1,310.00	Yes	pg. 13
Department	9718 Safety & Security Operations	94	\$431,745.00	0	N/A	No	N/A
Department	9775 Office of the Chief Academic Officer	17	\$30,024.01	1	\$1,307.85	Yes	pg. 15
Total		864	\$1,076,732.77	10	\$3,841.85	(2) Audit Findings	

Audits Performed by:
Merlin Butler
Tavicia James
Matthew Ruiz
Domingo Fung
Julian Joseph

Reviewed by:
Laura Wright

Supervised by:
Gabriel Carvajal

¹Based on the 1% audit deficiency provision, historically calculated, this item is listed as "No" finding. However, the loss value is similar to the two "Yes" findings. The 1% audit deficiency provision will be further analyzed.

SECTION II: Audit Findings

Location Audited: 9603 Facilities Design & Construction
Custodian: Shelley Meloni
Address: 2301 NW 26th Street, Oakland Park, FL 33311

Total Number of Items in Inventory: 247
Total Dollar Cost of Items in Inventory: \$329,961.71
Total Number of Items Unaccounted for: 8
Total Dollar Cost of Items Unaccounted for: \$1,224.00
Percentage Cost of Items Unaccounted for: 0.37%

Inventory Number	Description	Serial Number	Unit Cost
S17013478	23 MONITOR W/USB PORTS	V1K20575	\$159.00
S19-07100	ThinkPad USB-C Dock-US	ZAF12NKU	\$135.00
S19-07102	ThinkPad USB-C Dock-US	ZAF12NLH	\$135.00
S20-11331	ThinkPad USB-C Dock-US	ZKT02H9X	\$159.00
S20-11332	ThinkPad USB-C Dock-US	ZKT02HA5	\$159.00
S20-11336	ThinkPad USB-C Dock-US	ZKT02HAL	\$159.00
S20-11341	ThinkPad USB-C Dock-US	ZKT02HB2	\$159.00
S20-11342	ThinkPad USB-C Dock-US	ZKT02HB3	\$159.00
TOTAL			\$1,224.00

Finding:

This audit has determined that (8) assets were unaccounted for by the Custodian for this Location. According to Florida Statute 274, Florida Administrative Code 69I-73, and the Business Practice Bulleting O-100, it is the responsibility of the Custodian to maintain supervision and control of the property delegated to them.

According to the Preliminary Audit Conference Report, the Custodian has not properly conducted the appropriate semi-annual inventories required by the BPB O-100 resulting in the inability to properly account for the assets listed above. Not conducting semi-annual inventories may potentially result in further assets being unaccounted for, i.e., missing, lost, stolen.

Recommendation:

It is recommended the Custodian conduct the required semi-annual inventories to mitigate the loss of assets and comply with the BPB O-100, paragraph D.1:

“All locations are minimally required to conduct semi-annual inventories to ensure the District’s property records are accurately maintained and updated.”

It is recommended that the Custodian coordinate with Accounting and Financial Reporting-Capital Assets (AFRCA) to receive directions on semi-annual inventory reporting procedures and review the BPB O-100 for criteria regarding semi-annual inventories.

It is recommended that the Custodian coordinate with AFRCA to submit the appropriate required documents to remove this asset from their property record in accordance with F.A.C. 69I-73.006:

“(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.”

Custodian Response To Audit: See page 11.

Discussion Item:

The Custodian noted, in their response (page 10), that the asset list below was an asset that was found at the location and that it required additional information. However, the audit file determined this asset was accounted for at the location and required no further action.

Inventory Number	Description	Serial Number	Unit Cost
S16041458	LENOVO THINKPAD	PC09LR3P	\$1,048.00
TOTAL			\$1,048.00



BROWARD
County Public Schools

OFFICE OF CAPITAL PROGRAMS
SHELLEY MELONI, R.A., NCARB, LEED AP, PMP
EXECUTIVE DIRECTOR

PHONE: 754-321-1515

EMAIL: smelonf@browardschools.com

December 11, 2023

TO: Joris M. Jabouin, CPA
Chief Auditor

FROM: Shelley N. Meloni, R.A., NCARB, LEED AP, PMP *Shm*
Executive Director, Office of Capital Programs

**SUBJECT: RESPONSE TO AUDIT REPORT ON PROPERTY INVENTORY FISCAL YEAR
2023-24**

The Office of Capital Programs has reviewed the Property and Inventory Audit findings dated 11/3/2023 and the Property and Inventory Custodian (P&IC) has met with the Executive Director of the Office of Capital Programs to review the inventory process for the location and status of the missing items.

Following the inventory audit that concluded on 11/3/2023, our P&IC has worked to locate eight of the 247 items (see attached After-Audit Report) not physically verified for the Office of Capital Programs (9603). After a review of documentation and speaking with District staff and vendor, one (1) item has been located. However, eight (8) are still not located.

The below eight (8) items have not been located:

BPI #S17013478
BPI #S19-07100
BPI #S19-07102
BPI #S20-11331
BPI #S20-11332
BPI #S20-11336
BPI #S20-11341
BPI #S20-11342

Discrepancy Report

The items that have not been checked off have been addressed above.

Response to Audit Report on Property Inventory – Fiscal Year 2023-24

December 11, 2023

Page 2

New Found Report

Please note, no information or invoice was located for item:

Lenovo Thinkpad X25015 Laptop, serial #PC09LR3P, Inventory #S16041458.

Overall Property and Inventory Control

It has been determined to address the primary factors contributing to ineffective property and inventory control; this location will do the following:

- A Property and Inventory tangible accounting of equipment will be conducted on a quarterly basis for the location. Documentation with the status of each item will be forwarded to the Executive Director of Capital Programs for review and signature.

Our office understands the seriousness of this situation and will take deliberate steps to maintain exception-free internal audits in the future. The information listed above are the updates available at this time. Should additional equipment be accounted for or updated information be received, the Property and Inventory Custodian will inform you of those updates at the appropriate time. Should you have any question or concern, please contact Laura Mappe at (754)321-1500.

SNM/py

cc: Deborah Czubkowski, Chief Facilities Officer, Office of Facilities

Ali Arcese, Director, Property & Inventory Audits, Office of the Chief Auditor

Tavicia James, Inventory Audit Specialist

Location Audited: 9709 Legislative Affairs
Custodian: Megan Turetsky
Address: 600 Southeast Third Avenue, Fort Lauderdale, FL 33301

Total Number of Items in Inventory: 15
Total Dollar Cost of Items in Inventory: \$13,822.36
Total Number of Items Unaccounted for: 1
Total Dollar Cost of Items Unaccounted for: \$1,310.50
Percentage Cost of Items Unaccounted for: 9.5%

Inventory Number	Description	Serial Number	Unit Cost
16-01623	LENOVO THINKPAD	MP09D2Z7	\$1,310.50
TOTAL			\$1,310.50

Finding:

This audit has determined that (1) asset was unaccounted for by the Custodian for this Location. According to Florida Statute 274, Florida Administrative Code 69I-73, and the Business Practice Bulleting O-100, it is the responsibility of the Custodian to maintain supervision and control of the property delegated to them.

The Custodian has not properly conducted the appropriate semi-annual inventories required by the BPB O-100 resulting in the inability to properly account for the asset listed above. Not conducting semi-annual inventories may potentially result in further assets being unaccounted for, i.e., missing, lost, stolen.

Recommendation:

It is recommended the Custodian conduct the required semi-annual inventories to mitigate the loss of assets and comply with the BPB O-100, paragraph D.1:

“All locations are minimally required to conduct semi-annual inventories to ensure the District’s property records are accurately maintained and updated.”

It is recommended that the Custodian coordinate with Accounting and Financial Reporting-Capital Assets (AFRCA) to receive directions on semi-annual inventory reporting procedures and review the BPB O-100 for criteria regarding semi-annual inventories.

It is recommended that the Custodian coordinate with AFRCA to submit the appropriate required documents to remove this asset from their property record in accordance with F.A.C. 69I-73.006:

“(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.”

Custodian Response To Audit: See page 14.



BROWARD
County Public Schools

**MEGAN TURETSKY, DIRECTOR
LEGISLATIVE AFFAIRS & COMMUNITY RELATIONS**

PHONE: 754-321-2608

EMAIL: megan.turetsky@browardschools.com

November 3, 2023

TO: BCPS Property & Inventory Audits
FROM: Megan Turetsky, Director
Legislative Affairs & Community Relations
SUBJECT: PROPERTY INVENTORY AUDIT FOR #9709

MT

In response to the 30-day memo, there is one item in my inventory that is not located:

Inventory Number: 16-01623
Description: Levono Thinkpad Yoga 15
Serial Number: MP09D2Z7
Valued at: \$1,310.50

If you have any questions, please contact me at 754-321-2608.

Thank you.

MT:jh

Location Audited: 9775 Office of the Chief Academic Officer
Custodian: Saemone Hollingsworth-Luis
Address: 600 Southeast Third Avenue, Fort Lauderdale, FL 33301

Total Number of Items in Inventory: 17
Total Dollar Cost of Items in Inventory: \$30,024.01
Total Number of Items Unaccounted for: 1
Total Dollar Cost of Items Unaccounted for: \$1,307.85
Percentage Cost of Items Unaccounted for: 4.4%

Inventory Number	Description	Serial Number	Unit Cost
11-02799	Apple IMAC Intel w/21.5" LED	QP1070RZDAS	\$1,307.85
TOTAL			\$1,307.85

Finding:

This audit has determined that (1) asset was unaccounted for by the Custodian for this Location. According to Florida Statute 274, Florida Administrative Code 69I-73, and the Business Practice Bulleting O-100, it is the responsibility of the Custodian to maintain supervision and control of the property delegated to them.

The Custodian has not properly conducted the appropriate semi-annual inventories required by the BPB O-100 resulting in the inability to properly account for the assets listed above. Not conducting semi-annual inventories may potentially result in further assets being unaccounted for, i.e., missing, lost, stolen.

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Custodian Response To Audit: See page 17.

OCA Follow-Up Response:


The Custodian's response for this asset claims it was reported on a previous audit, however, previous records have determined that the asset was not identified in any of the previous audits: FY2016, FY2019, FY2022.



**SAEMONE HOLLINGSWORTH, CHIEF ACADEMIC OFFICER
OFFICE OF ACADEMICS**

October 25, 2023

TO: Joris Jabouin
Chief Auditor

FROM: Saemone Hollingsworth
Chief Academic Officer 

SUBJECT: **UNACCOUNTED REPORT RESPONSE**

This memorandum is in response to the unaccounted item that is located on my PNI report for the Office of Academics/9775 dated 9/11/23. The item is an Apple iMac Intel w/21.5 LED, BPI#: 11-02799, serial#: QP1070RZDAS and it was reported on last year's inventory audit with previous employees.

The current secretary has exhausted all efforts in trying to locate this missing item.

Also, the other item in question is a Tanberg T-150 MXP, BPI#: 07-80248, serial#: 3804384, which has been placed on a 3290A form to be removed from the PNI report since it was B-Stocked and picked up in March 2023.

The Office of Academics has experienced several transitions with staff and offices over the last three years. To eliminate missing items, the Office of Academics will implement the following.

1. Monthly verification of documentation as compared to Property and Inventory report;
2. Quarterly visual verification of the inventory; and
3. Review the Business Practice Bulletin O-100 Procedure for Property and Inventory Control with the department's Property and Inventory team members and ensure compliance with all policies and procedures.

If you have any questions, please feel free to contact me at 754-321-2618.

SH:cd