

THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

817 Bill Beck Boulevard • Kissimmee • Florida 34744-4492
Phone: 407-870-4600 • Fax: 407-870-4010 • www.osceolaschools.net

SCHOOL BOARD MEMBERS

District 1 – Teresa “Terry” Castillo – Vice-Chair
407-577-5022
District 2 – Julius Melendez
321-442-2862
District 3 – Jon Arguello
407-433-9082
District 4 – Heather Kahoun - Chair
689-241-7822
District 5 – Scott Ramsey
407-870-4009



Superintendent of Schools
Dr. Mark Shanoff

Agenda

Audit Advisory Committee Meeting
Bill Collins Conference Room
817 Bill Beck Blvd.
Kissimmee, FL 34744

Thursday, October 24, 2024
1:00 PM

1. Approval of the March 7, 2024, Meeting Minutes
2. FY 2024 Internal Funds Audit
3. FY 2024 Charter School Audits
4. Grants Management Design Assessment
5. Internal Audit Update
6. Recognition of Outgoing Members
7. Next Meeting Date: TBD

Audit Advisory Committee Meeting Minutes
March 7, 2024
11:30 a.m. – 1:30 p.m.

Members Present: Chair Heather Kahoun, Lori Giambrone, Karen Giel, Javier Paz

Members Absent: Mark Cross, Cassandra Harris-Starks, Kevin Crawford

Others/Guests: Lauren Haddox, Frank Kruppenbacher, Sarah Graber, Sarah Koren, Mari Espinal, Angela Barner, Dr. Mark Shanoff, Joel Knopp (MSL), Weiss Campbell (RSM)

Virtual Presenters: Laura Manlove (RSM), Matt Dubnansky (Withum)

- Chair Kahoun called the meeting to order at 11:41 a.m.
- Introduction of School Board/Audit Committee Chair
 - Heather Kahoun was introduced as the new School Board and Audit Committee Chair.
- Approval of the Wednesday, September 20, 2023, Meeting Minutes were approved with all ayes.
- **Healthcare Claims Audit**

The healthcare claims audit was presented by Matt Dubnansky, Healthcare Consultant. The following findings were reported and discussed, along with recommended actions:

 - Application of Patient Liability Member Underpayments
 - Member Overpayments
 - Duplicate Payments
 - Exclusions & Limitations
 - Pricing of Claims
 - Claims of Backlog
 - Claim Paid Reconciliation
- **Annual Comprehensive Financial Report (ACFR) FY 2023**

Presented by Joel Knopp with MSL. The FY2023 Annual Comprehensive Financial Report can be found on the district's website at <https://www.osceolaschools.net/Page/1174>. This was a clean audit with no findings or concerns noted.
- **Charter Schools & Other Component Units Audit Reports FY 2023**

Presented by Mari Espinal, Director of Finance. A summary of results was distributed. The following three charter schools had findings which were discussed:

 - Bridgeprep Academy of St. Cloud – negative fund balance
 - Lincoln-Marti Charter School – lease liability
 - Bridgeprep Academy Osceola County – negative fund balance
- **Internal Audit Update**
 - a) **FY2024 Internal Audit Plan Update**

Presented by Weiss Campbell with (RSM).

Current 2023/2024 Audits:

- Information & Technology: 2023 Incident Response Plan Development – issued
- Whistleblower Hotline - issued
- Physical Site Assessments
- IT Risk Monitoring

b) **Whistleblower Audit**

Presented by Weiss Campbell (RSM).

No findings reported. The following process improvement opportunities were recommended:

- Transcription of Complaints
- Whistleblower Hotline Awareness
- Case Management Software

c) **Status of Follow-up Audits**

Follow-up testing for the following three audits is scheduled to take place as part of the FY 2025 audit plan:

- Transportation Services – Timekeeping
- Purchasing & Warehouse Services – Purchasing Operations
- Human Resources & Employee Relations – Onboarding Change Management & Outboarding

The meeting adjourned at **1:17 p.m.**

Next Meeting Date: TBD

The School District of Osceola County, Florida

Internal Funds Audit

Presentation to Audit Committee



Overview

- **Auditor's Responsibilities and School District's Responsibilities**
- **Financial Statements**
- **Recommendations for Improvements (School Findings)**
- **District-wide recommendations for improvements**

Auditor's Responsibilities

Auditor's Responsibilities	Express an opinion about whether the financial statements of the School District of Osceola County, Florida Internal Funds are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles
Supplementary Information	Schedule of changes in fiduciary net position – fiduciary funds by school; we will report on whether the information is fairly stated, in all material respects, in related to the financial statements as a whole
Audit Testing	<ul style="list-style-type: none">• Substantive procedures on financial statement accounts• Understanding of internal controls• Tests of compliance with rules, laws and regulations (FDOE, School Board, Internal Funds policies and procedures)

School District's Responsibilities

Management and those Charged with Governance (School Board)	<ul style="list-style-type: none">• Overseeing the preparation of the financial statements, including reviewing and approving the financial statements, related notes, and supplementary information
Business and Fiscal Services	<ul style="list-style-type: none">• Coordinate audit dates• Provide requested information, reports, and supporting documentation for audit fieldwork• Act as liaison between CRI and schools

Financial Statements

	June 30, 2024	June 30, 2023
Total assets	\$6,640,276	\$5,764,476
Total liabilities	\$709,942	\$139,246
Total net position	\$5,930,334	\$5,625,230
Total additions	\$12,671,350	\$11,856,038
Total deductions	\$12,366,246	\$11,506,760

Chapter 8 of the Florida Department of Education Financial & Program Cost Accounting & Reporting for Florida Schools (the Red Book) states that the School Board, as custodian, is responsible for safeguarding, record keeping, reporting and general oversight of the internal funds held by the District school system and shall provide for an annual audit of the internal funds.

Financial Statements

Unmodified report

Adjustments – cash-to-accrual conversion

Supplemental schedule of changes in fiduciary net position by school

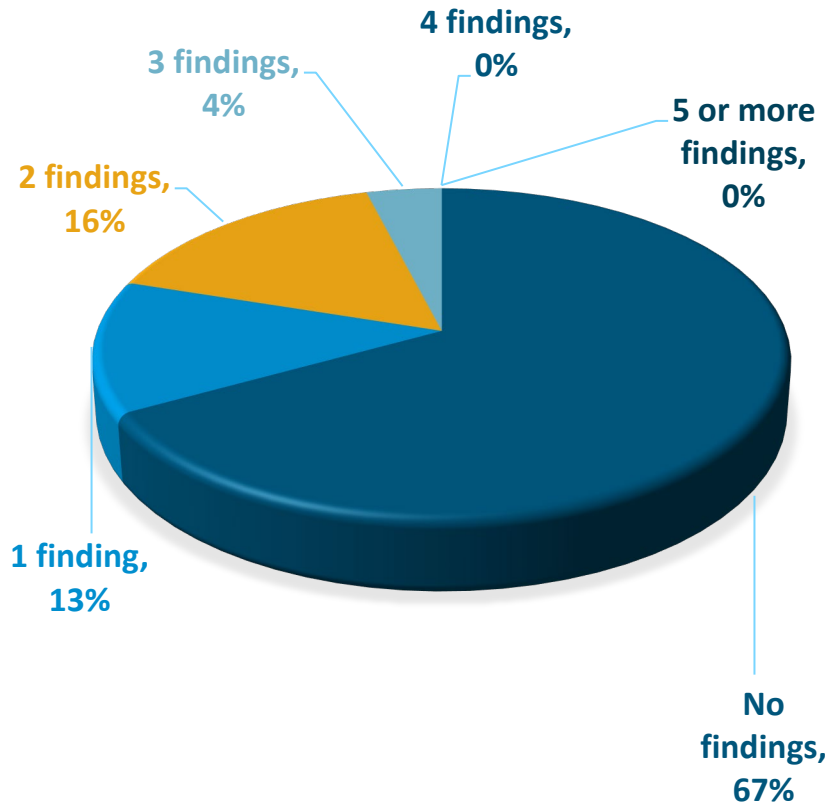
Footnotes - due to other funds – amounts due to the District for tuition from technical schools

Recommendations for Improvements

- Testing performed at 100% of schools/departments with an Internal Fund
- Compliance tests were performed in each of the following areas:
 - Admission events
 - Deficit balances
 - Deposits
 - Disbursements
 - Donations
 - Fund raising activities
 - Journal entries/transfers

Recommendations for Improvements

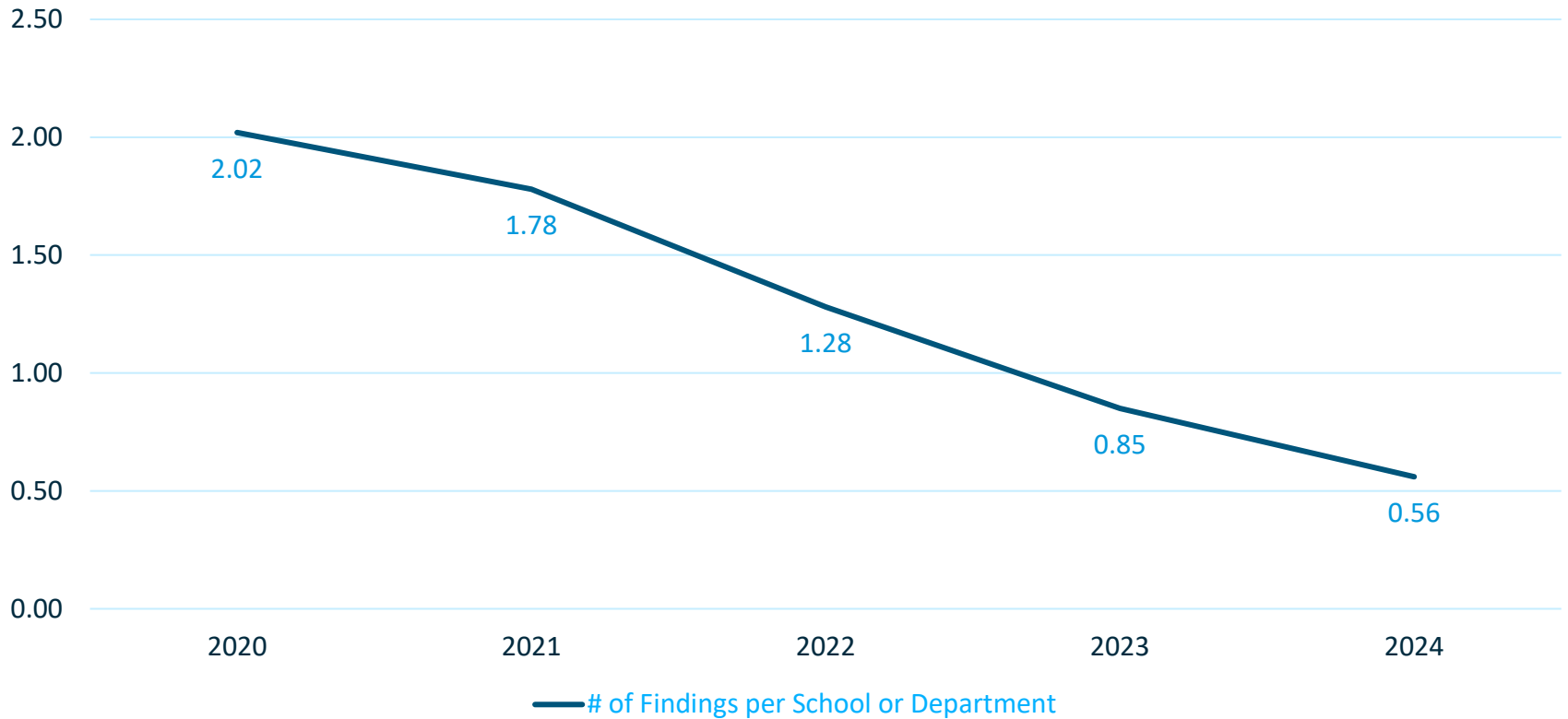
PERCENTAGE OF SCHOOLS BY NUMBER OF FINDINGS



Number of Findings	Number of Schools	%
None	37	67%
1	7	13%
2	9	16%
3	2	4%
4	0	0%
5 or more	0	0%
Total	55	100%

Recommendations for Improvements

Average Findings per School/Department



Recommendations for Improvements

Most Common Findings - Deficiencies

Finding	# of Instances
Monies collected from outside the main office were not turned in to the school bookkeeper by the following day	8
Fundraising application and financial recap form was not approved or not approved prior to the start of the fundraiser	6
Inventory and sales report for school store were not completed	3
Ticket sales report not completed or not completed properly	3
Internal funds transfer voucher not located	3

Recommendations for Improvements

Improvements over Prior Report

Finding	# of Instances - 2024	# of Instances - 2023
Collections not being deposited timely in the bank (on same day if over \$100)	1	4
Purchase order form was completed after the goods or services were purchased	2	4

Noteworthy improvements in current year

- 80% of schools had 1 or less findings
- No schools had 4 or more findings

District-Wide Recommendations

Improvement Points

- Spending down of excess funds
- IT General Controls
 - Thirteen terminated employees still had FOCUS software user accounts (10 of these users had read-only access)

Deficiencies

- Monies not being turned in to office timely
 - 8 of 55 schools had at least one instance

No material weaknesses noted.

Audit Process

- Disagreements with management – None
- Significant difficulties encountered in audit – None
- Consultation with other accountants – None
- Fraud or illegal acts – we are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements
- Great cooperation from Finance Department and school bookkeepers and principal

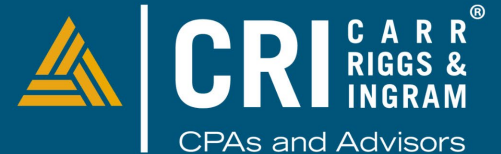
- Today's Presenter -

Jennifer Christensen, Partner

Orlando, Florida

407-644-7455

JChristensen@CRIcpa.com



Summary of Charter School Audits for Fiscal Year Ended June 30, 2024

#	MSID	School Name	Auditor Name	Current Year Audit Findings					Total Findings	Notes	
				Negative Fund Balance	Positive Fund Balance	No Audit Findings	Pending Single Audit	Prior Audit Findings			Negative Fund Balance /Deficient Net Position
1	0852	Academir Preparatory of ChampionsGate	Thomas & Company, CPA, PA	X		X				0	Negative Fund Balance in the Special Revenue Fund
2	0932	Bellalago Charter Academy	Moss, Krusick & Associates, CPAs and Advisors		X	X				0	
3	0184	Bridgeprep Academy of Osceola Charter School	Garcia Santa Maria De Armas Trujillo CPAs and Advisors		X					0	Auditor notation - deficient Net Position due to the right of use liability; no auditor recommendation
											Uncorrected prior audit findings: FY21-22, negative Fund Balance - \$159,914; FY22-23 negative Fund Balance - \$590,914. FY23-24, negative Fund Balance - \$670,074 - due to significant start-up costs.
4	0131	Bridgeprep Academy of St. Cloud	Garcia Santa Maria De Armas Trujillo CPAs and Advisors	X				X	X	2	
5	0192	Creative Inspiration Journey School of St. Cloud, Inc.	King & Walker, CPAs, PL		X	X				0	
6	0153	Florida Cyber Charter Academy at Osceola	King & Walker, CPAs, PL		X	X				0	
7	0863	Four Corners Charter School	Moss, Krusick & Associates, CPAs and Advisors		X	X				0	
8	0152	Four Corners Upper School	Citrin Cooperman & Company, LLP		X	X				0	Single audit performed at the parent company level
9	0866	Kissimmee Charter Academy	King & Walker, CPAs, PL		X	X				0	
10	0182	Lincoln-Marti Charter Schools (Osceola Campus)	BDO		X	X				0	
11	0959	Main Street High School	Citrin Cooperman & Company, LLP	X		X				0	Negative Fund Balance in the Special Revenue Fund
12	0202	Mater Academy at St. Cloud	HLB Gravier, LLP, CPAs		X	X				0	
13	0163	Mater Brighton Lakes	HLB Gravier, LLP, CPAs		X	X	X			0	
14	0971	Mater Brighton Lakes Academy Preparatory High School	HLB Gravier, LLP, CPAs	X		X				0	Negative Fund Balance in the Capital Projects Fund
15	0185	Mater Palms Academy	HLB Gravier, LLP, CPAs		X	X	X			0	Special Revenue Fund only reported \$33,916
16	0853	New Dimensions High School	Schafer, Tschopp, Whitcomb, Mitchell & Sheridan, LLP, CPA		X	X				0	
17	0181	Osceola Science Charter School	King & Walker, CPAs, PL		X	X				0	
18	0881	P. M. Wells Charter Academy	Moss, Krusick & Associates, CPAs and Advisors		X	X				0	
19	0191	Renaissance Academy of Arts and Sciences	Citrin Cooperman & Company, LLP		X	X				0	Single audit performed at the parent company level
20	0149	Renaissance Charter School at Poinciana	Citrin Cooperman & Company, LLP		X	X				0	Single audit performed at the parent company level
21	0171	Renaissance Charter School at Tapestry	Citrin Cooperman & Company, LLP		X	X				0	Single audit performed at the parent company level
22	0183	Sports Leadership Arts Management (SLAM Osceola)	HLB Gravier, LLP, CPAs		X	X				0	
23	0900	UCP Osceola Charter School	Schafer, Tschopp, Whitcomb, Mitchell & Sheridan, LLP, CPA		X	X				0	
24	0155	Victory Charter School 6-12	Gutierrez Madariaga, CPA P.A.		X	X				0	
25	0203	Victory Charter School K-5	Gutierrez Madariaga, CPA P.A.		X	X	X			0	
26	7030	Virtual Preparatory Academy of Florida	Moss, Krusick & Associates, CPAs and Advisors		X	X				0	