

Audit of School Board CARES Expenses

Report No. 100821

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DIVISION OF INSPECTOR GENERAL
Grant Maloy, Clerk of the Circuit Court and Comptroller
Seminole County, Florida

February 28, 2022

To: The Honorable Chairman and Members of the Board of County Commissioners

We have completed an audit of the School Board's reimbursements for CARES expenses incurred to better serve and protect the students and its faculty.

Our objective was to verify that management went through the process of verifying that the expenses qualified for CARES and were supported with proper documentation.

The audit was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing and the Principles and Standards for the Offices of Inspector General.

The results of the audit are included in the report that follows.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bill Carroll".

Bill Carroll, CPA, CFE, CIG, CIGA
Inspector General
Division of the Inspector General

Approved by:

A handwritten signature in blue ink, appearing to read "Grant Maloy".

Honorable Mr. Grant Maloy
Clerk of the Circuit Court and Comptroller
Seminole County



Audit of
School Board – CARES Expenses
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HONORABLE GRANT MALOY
CLERK OF THE CIRCUIT COURT AND COMPTROLLER

Bill Carroll, CPA, CFE, CIG, CIGA
Inspector General

Auditor Assigned:
Timothy Tschappat, CFE, CIA, CIGA

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Executive Summary

The following Executive Summary provides a high-level synopsis of: 1) why the audit was performed; 2) the audit objectives, and; 3) the results of the audit.

Why was the audit performed?

On March 27, 2020, the Coronavirus Aid and Relief, and Economic Security Act was enacted by Congress. It provided relief to governments during COVID-19 pandemic. The School Board, for the safety of the public and its employees, incurred more than \$8.3 million to improve air quality in elementary, middle, and high schools and the facilitation of distance learning. The audit was performed to ensure that the School Board had the necessary checks and balances to meet the CARE requirements, and expenses were in accordance with terms and conditions of the Inter-local Agreement.

What are the objectives for the audit?

The objectives of this audit were to: (1) determine if the School Board has an established process to document CARES related expenses; (2) to determine if the costs incurred were properly recorded in the County's financial records; and (3) expenses were in compliance with inter-local agreement.

What were the results of the audit?

The School Board has a system of internal administrative controls that ensure that CARES expenses are properly accounted for in the Seminole County records.

Expenses incurred by the School Board met the requirements for CARES funding. School Board maintained proper supporting documentation with original vendor, provided invoices, and the costs were properly accounted for in compliance with inter-local agreement.

Background

This audit concentrated on the expenses incurred by the School Board to prepare the school facilities for the safety of its students and employees and the implementation of distance learning. Seminole County Public Schools is the 12th largest school district in Florida with more than 67,000 students, 10,000 employees, and 58 elementary, middle, and high schools.

To better serve and protect the students and its faculty, the School Board required more than \$8.3 million in CARES funds for:

- Improve air quality in facilities;
- Install UV lighting;
- Purchasing personal protection equipment (PPE) supplies;
- Increased energy costs;
- Improvements for telework capabilities;
- Purchasing laptops for remote learning;
- Distance-learning classes and digital courseware; and
- HR costs related to COVID-19 for employees

The focus of this audit was to review the process used by the School Board to determine that the CARES expenses met the requirements to be:

1. An expenditure incurred due to the public health emergency with respect to COVID-19;
2. Not accounted for in the most recently approved budget as of March 27, 2020;
3. Incurred from March 1, 2020, and ends on December 30, 2020; and,
4. The expenditure is not eligible for reimbursement from FEMA Public Assistance.

This audit includes establishing that the School Board took the necessary steps to: 1) document that expenses qualified as CARES-related, and 2) that requests for reimbursement were in accordance with the inter-local agreement.

The results of the audit are included in the report that follows.

Objective

The objectives of this audit were to: (1) determine if the School Board has an established process to document CARES related expenses; (2) to determine if the costs incurred were properly recorded in the County's financial records; and (3) expenses were in compliance with inter-local agreement.

Methodology and Scope

All 2020 CARES Act reimbursements requested by the Seminole County School Board were subject to our audit.

Our evaluation included analyzing the process used by the office to document that expenses met the requirements for CARES funding. We also verified that expenses were properly supported with invoices and that the costs were in accordance with inter-local agreement.

The audit included:

- Review of accounting records for reimbursed expenses;
- Verification of supporting documentation for each expense; and
- Confirmation that COVID-19 expenses were properly approved and justifications were provided in the School Board records.

Overall Evaluation

It is our opinion that the School Board has a system of internal accounting controls that ensure that CARES expenses were properly accounted for and in compliance with the inter-local agreement.

We noted that expenses incurred met the requirements for CARES funding. The audit also determined that expenses were properly supported with original invoices and the costs were properly accounted for the County financial records.