

April 24, 2013

Sandra Seals
PTA President
PLC at MDCPS PTA
1500 Biscayne Blvd. Suite 101
Miami, FL 33132

Re: Audit Committee
Audit Report for School Year 2012-2013

Dear Ms. Seal:

The Audit Committee, consisting of Aileen Fan, Abraham Gomez and Ganesh Ranganathan reviewed the following documents in support of this Audit Report for Fiscal Year 2012-2013: Bylaws; minutes of all meetings; financial statements housed in PLC Quickbooks; South Florida Educational Federal Credit Union online account; deposit slips, checkbook, request vouchers and receipts. None of the Audit Committee members were officers of the PLC at MDCPS PTA for Fiscal Year 2012-2013 nor did they have check signing authority or any access to the PTA's bank account, check book or other monies of the PTA.

BACKGROUND

The PLC at MDCPS PTA (hereinafter "PTA") was incorporated on October 19, 2009. According to the Bylaws, the fiscal year runs from July 1 to June 30. The audit review for the school year 2012-2013 was completed on April 22, 2013.

The officers installed were Sandra Seals, President; Natacha Janssens, Vice President; Stacey Zuazo, Vice President; Michelle Hoyos, Treasurer; Karon Coleman, Recording Secretary; Alice Raval, Corresponding Secretary.

A federal Employer Identification Number (EIN) was obtained as well as a state sales tax exemption. General liability insurance was made available through Miami-Dade County Council PTA/PTSA membership and additional, medical accident and officer's liability policies were purchased. State and National PTA dues were submitted.

An official budget was adopted at the October 23, 2012 meeting. The minutes reflect that a financial report was given at each general meeting of the PTA. The primary

2012-2013 Audit for PLC of MDCPS PTA

sources of income/revenue were: PTA membership; after care enrichment program; potluck picnics; parent night out; book fair; harvest fest; spring event; school supplies sales; school uniform shirts sales; Lion King ticket sale; and donations. The purposes for which the money was expended were:

1. State and national PTA dues; insurance; copying; Quickbooks; and miscellaneous expenses related to aftercare enrichment program; and
2. Salaries for aftercare enrichment teachers (karate, chorus, physical education, French); "think outside the box" grants for PLC teachers; Sunshine Fund/scholarships for enrichment programs; holiday luncheon for PLC staff; and support of PLC & PTA special events.

CONCLUSIONS

Bank Account. The bank account at the South Florida Educational Federal Credit Union had a balance of \$9,141.16 as of April 20, 2012. As of April 21, 2013 the account balance had increased to \$16,684.96 in Checking Account; \$5 in Savings Account and \$1.63 in interest.

Checkbook. The PTA maintained a check book that had sequential checks. Although the checkbook receipts did not allow for confirmation that each check had two signatures as required in the bylaws, the check copies that were reviewed did substantiate that two signatures were obtained, which was compliant with two signature bylaws requirement.

Revenue. We reviewed the PLC Quickbook documentation and South Florida Educational Federal Credit Union bank account statement as well as documentation supporting revenue and expenditures. The Treasurer reconciled the bank account every month and matched it to Quickbook. We report that as of April 21, 2013, the gross revenue generated for the audit year was \$55,659.03, and the costs, expenses and grant awards were \$44,657.60 with a net income of \$11,001.43.

However, we wanted to make note of the following matter.

- 2011-2012 audit report has account balance of \$9,106.16 on April 19, 2012. The South Florida Educational Federal Credit Union bank account balance showed \$9,141.16 on April 19. The \$35 difference was caused by check number 298 which was issued on April 19, but was only cleared on April 26 when it was reflected in the bank account.

Recommendations from the 2011-2012 Audit Committee: This Audit Committee made the three following recommendations: It was difficult to track the revenues and expenditures against the budget. The financial reports should track revenues and expenditures in the same manner that these revenues and expenditures are defined in the budget, perhaps even creating a financial report that lists the amount budgeted and the actual amount for each revenue and expenditure. This would make it easier to determine if the PTA is acting in accordance with its budget.

It was recommended that a section be added to the aftercare enrichment registration for that allows for the PTA official who accepts the registration to document on the registration receipt of payment, including a place for that PTA official to initial.

Finally, it was recommended that the relationship between the PTA and the various after care enrichment teachers be formalized in a written contract.

These recommendations were substantially complied with: the PTA has adopted a budget on October 23, 2012 which was approved by the PTA membership, a written financial report was provided at each PTA meetings, and a final financial report listed the amount budgeted and the actual amount for each revenue and expenditure; the aftercare enrichment registration form has added the section to allow for PTA official to register the receipt of payment and initial; and each enrichment teacher has signed a formal written contract at the beginning of each season.

RECOMMENDATIONS

The Audit Committee congratulates the PTA and its leadership for creating a budget, raising gross revenue of \$55,659.03 between April 20, 2012 and April 21, 2013, providing grants and financial support to the PLC and its teachers and for organizing, documenting and accounting for its finances and operations.

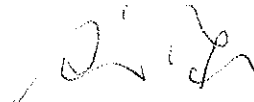
This Audit Committee makes the following recommendations. The current audit cut-off time is randomly chosen by the audit committee, mandated to finish the audit by the April PTA annual meeting when new officials are elected. We found it can be confusing for both the treasurer and the audit committee to plan, prepare the documentation and perform the audit. We suggest adopting an April 1 – March 31 audit timeline for PTA audit.

According to the Bylaws, the Audit Committee is to examine the Treasurer's Annual Report -- which is presented at the Annual meeting -- and "satisfied that the treasurer's annual report is correct, shall sign a statement of that fact at the end of the report." Therefore, it is recommended that the Audit Committee convene in the days

after the Annual meeting so as to be able to review and sign off on the Treasurer's Annual Report.

The audit committee observed that some of the Quickbook sales dates are different than the South Florida Educational Federal Credit Union deposit date. We recommend the deposit of all revenue to be made within 3 days of receiving check or cash.

Submitted by,



Aileen Fan



Jose Abraham Gomez



Ganesh Ranganathan