I. Welcome & Introductions

II. Approval of Minutes

  • Motion to approve July 29, 2021 minutes

III. Division of Early Learning Fiscal Monitoring by Watson Rice

  A. Public Comments

IV. Annual Audits

  A. Public Comments

V. Public Comments

VI. Meeting Adjourn
Audit Committee Meeting
July 29, 2021 at 11:00 am
Zoom Meeting ID: 929 9177 5132
Passcode: audit0729

Board Attendees: Ileana Alvarez; John Maradiaga; Jose Thomas

Other Board Member Attendees: Matthew Bruno

Staff Attendees: Evelio Torres; Angelo Parrino; Mercy Castiglione; Jackye Russell; Michelle Meilan; Alex Sanchez; Victor Caballero; Sandra Gonzalez; Ana Rodriguez; Ileana Vallejo; Isabel Afanador

I. Welcome & Introductions Ileana Alvarez
   • I. Alvarez called the meeting to order and welcomed everyone. Quorum was established with three (3) voting members.

II. Approval of Minutes Ileana Alvarez
   Approval of minutes for January 28, 2021
   o Motion to approve by J. Maradiaga
   o Motion seconded by J. Thomas
   o Motion unanimously passed

III. Programmatic Audit Michelle Meilan
   • An overview of the programmatic monitoring that is completed by the Division of Early Learning was provided, that included the scope and methodology. The overall monitoring was positive, with the majority of the elements reviewed resulting in no findings.

IV. Internal Controls Ileana Vallejo
   • Staff also shared Information on the School Readiness program internal controls, that included a very broad overview of all the efforts that are made to ensure that eligibility determination process remains in compliance with state and federal guidelines.

V. Boys & Girls Club of the Keys Ana Rodriguez
   • In response to news reports of potential financial fraud at the Monroe Boys and Girls’ club, and because the club receives School Readiness funding; the loss prevention unit conducted a review to identify if any of the funds from the coalition were involved. The review did not find any misappropriation of School Readiness funds.
VI. Public Comments

VII. Meeting Adjourn
Audit Metrics and Performance Measures—Results

Audit Policies and Practices Committee
Objective

Identify and compile internal and performance measures used in the Federal/and or State funds for School Readiness/Voluntary Pre-Kindergarten programs’ administration and external metrics audit community for evaluating audit quality and timeliness.

Compile factors and best practices used in annual/quarterly audit planning.

Assist in making improvements during the program year that enhance operations and/or compliance with applicable grant program rules.
ELC Audits in a Fiscal Year

DEL Desk Monitoring Scorecard

Early Learning Coalitions (ELC's) shall review the "Selected Samples" worksheet for a listing of samples selected by the Division of Early Learning (DEL) Grant Manager (GM). This internal Audit is performed quarterly. Each review is approximately 30 samples and with allocations, it can surpass 90 samples.

Performed once a year, currently by Verdeja De Armas.

Single Audit

Included in the single audit, is a yearly grant specific audit for The Children’s Trust (TCT). (TCT currently has 3 grants.)

DEL Annual Audit

Performed once a year, currently by Watson Rice. During this audit, there were approximately 130 selections. (Monitoring Period 10-1-20 thru 8-31-2021)

AG Audit

As the State’s independent auditor, the Auditor General provides unbiased, timely, and relevant information that the Legislature, Florida’s citizens, public entity management, and other stakeholders can use to promote government accountability and stewardship and improve government operations.
The Annual Audit Process

**Initiation**
- Audit notification
- Questionnaire and Request for Documents
- Request for initial meeting with key staff members

**Fieldwork**
- Auditor will conduct on site and off site audit testing

**Exit Conference(s)**
- Informal and/or formal meeting to discuss the auditor’s observations and audit results

**Reporting**
- Several drafts are drafted with opportunities for the ELC Miami-Dade/Monroe (MDM) to review and give feedback

**Follow-Up**
- ELC MDM will communicate to DEL in writing on the progress of implementing corrective actions
# Latest Results of Annual Audit – Watson Rice

ELC 31/Early Learning Coalition of Miami-Dade/Monroe, Inc.
Exit Conference Memo
Monitoring Period: October 1, 2020 – August 31, 2021
Monitoring Dates Onsite: November 8, 2021 – November 15, 2021

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Ten Year Data Trends- All Florida Coalitions

**FY2020-21 Ten Year Trends of Findings**

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**FY2020-21 Ten Year FM Trend Data**

Trend data from 2010-11 through 2020-21 Monitoring Cycles

- Findings
- ELCs with no findings
- % of ELCs, no findings

*FYs 2016-17 & 2017-18 are combined since FM of half the ELCs was completed each year
Desk Review Testing Elements

Florida law states DEL is “responsible for the prudent use of all public and private funds” for the School Readiness (SR) Program throughout the state and must also safeguard “the effective use of federal, state, and local resources to achieve the highest practicable level of school readiness for the children…”

*Four Desk reviews completed within a Fiscal Year and a minimum of 30 selections with allocations, could total over 100 selections.*

*Items below are some of the testing elements/areas included in each desk review*

- Complete Invoice
- Reasonable, Allowable and Necessary
- Prohibited Expenditures
- Educational Courses and Other Training
- Travel
  - Approved Travel Forms with Mission Critical
  - Hotel Expenses
  - Meal Allowance/Per Diem
  - Registration Fees for Conference/Convention
  - Mileage
- Sponsorship/Public Announcement/Logos
- Credit Card Fees
- Membership Dues, Subscriptions, and Licensing Fees
- Furniture
- Cellular Phones
Latest Results of Desk Review—DEL Grant Manager

**Below are testing elements, technical assistance comments and review**

- 40 selections requested and over 80 reviewed with allocations
- Includes SR/VPK
- CARES, CRRSA and PDG (to be reviewed at a later time)

Technical Assistance for the following:

**Incomplete invoice for services rendered**
- Invoices must clearly define the services rendered. If the services are not defined on the invoice, a scope of work must be attached. Documentation for future reviews must be in compliance with citations in 4I. ADS

**Severance payment requires prior approval in grant year 20/21**
- *Severance is unallowable in Grant Year 21/22*
  - Severance pay is any compensation and/or benefits (beyond those included in/described by the employer's standard HR/employee policy manual) offered to an employee after their employment is over or ends. Since these payments are not required by federal and/or state laws, this type of compensation is not authorized by DEL from grant, grant program income, or matching funds. 2.6 Deferred compensation/retirement benefits.

**Travel Invoice did not meet requirements**
- Receipts must be signed and dated by the traveler. ADS documentation for future reviews must ensure all receipts are signed and dated by the traveler. Reference Guide for State Expenditures pg. 76 and DEL Program Guidance 240.10 ADS
Verdeja de Armas

Currently in review