

Financial Affairs
Eduardo A. Alfaro, Interim Chief Financial Officer

SUBJECT: KPMG LLP – CONTRACT TO PARTICIPATE AND PERFORM ACCOUNTING RELATED ACTIVITIES IN RELATION TO THE CLOSING ACTIVITIES, AND THE PREPARATION OF THE ANNUAL FINANCIAL REPORT AND THE COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR-ENDED JUNE 30, 2003

COMMITTEE: BUSINESS AND FINANCIAL SERVICES

In order to assist Miami-Dade County Public Schools with the fiscal year-end closing, KPMG LLP is being recommended to participate and perform accounting-related services in relation to the closing activities, and the preparation of the Annual Financial Report and the Comprehensive Annual Financial Report for the fiscal year-ended June 30, 2003. The Controller will be responsible for assigning work to be performed by KPMG LLP, which will consist of determining the preparation of journal entries and the timely closing of the District's books for the fiscal year ending June 30, 2003.

KPMG LLP's recommended compensation will be in accordance with the following hourly scale, up to a maximum of \$48,000.

<u>Classification</u>	<u>Hourly Rate</u>
Senior	\$150
Staff	\$130

Services will be provided on an as needed basis and may result in an amount less than the maximum amount requested. KPMG LLP shall submit monthly progress billings, which shall indicate a breakdown of hours worked and hourly rates by specific employees and details of the services performed. The progress billings shall be in accordance with the fees schedule reflected above. Each progress billing shall be paid upon completion of services and approval by the Controller or designee.

These services are needed because of the retirement of key personnel on June 30, 2003. New staff will be appointed upon completion of the hiring process to provide these services for the closing of the fiscal year ending June 30, 2004.

This proposal was reviewed by the Professional Services Contract Committee meeting on June 19, 2003. A waiver was granted by the committee based on the specific expertise of the company in accordance with School Board Rule 6Gx-13- 3F-1.021. KPMG LLP performed the District's external audit for the last five years and their knowledge and experience as it relates to the financial operations of Miami-Dade County Public Schools will provide the necessary resources for the essential and timely completion of the Annual Financial Report that must be submitted to the Florida Department of Education by September 11, 2003, as well as the Comprehensive Annual Financial Report.

The appropriation for this item will be included in the General Fund of the 2003-2004 Tentative Budget to be recommended for adoption in July 2003 under Fund 0100, Object 5310, Location 9151, Program 7600, Function 7500.

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RECOMMENDED: That The School Board of Miami-Dade County, Florida, authorize the Superintendent to enter into a contract, at an hourly rate of \$150 for senior accountants and \$130 for staff accountants for an amount not to exceed \$48,000, with KPMG LLP to participate and perform accounting related activities in relation to the closing activities and preparation of the Annual Financial Report and the Comprehensive Annual Financial Report for the fiscal year-ended June 30, 2003.

The appropriation for this item will be included in the General Fund of the 2003-2004 Tentative Budget to be recommended for adoption in July 2003 under Fund 0100, Object 5310, Location 9151, Program 7600, Function 7500.

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