

Merrett R. Stierheim, Superintendent of Schools

**SUBJECT: STATUS REPORT ON RELEASE OF P.E.C.O. FUNDS FROM  
THE MIAMI-DADE LAND ACQUISITION AND FACILITIES  
MAINTENANCE OPERATIONS ADVISORY BOARD**

**COMMITTEE: FACILITIES MANAGEMENT**

At its meeting of January 8, 2004 the Miami-Dade Land Acquisition and Facilities Maintenance Operations Advisory Board (Advisory Board), voted to certify to the State of Florida Commissioner of Education that progress has been made by the Miami-Dade County School Board to put in place policies and procedures that will accomplish corrective action in the areas of facilities construction and maintenance, and to release the approximate \$44M in withheld FY 01-02 P.E.C.O. funds. The Advisory Board's action was based on the following commitments:

1. Implementation of the recommendations contained in the FMI assessment and OPPAGA as it pertains to immediately reducing the total payroll for construction. In this regard, the School Board approved on December 19, 2003 as was reported to the Advisory Board, the acceleration of the abolishment of 47 positions, beginning February 1 through September 2004. This represents the first phase of a 3-year implementation program;
2. Continued progress to achieve the \$1 reduction in the per square foot cost of maintenance operations, which includes custodial. As reported to the School Board on December 19, 2003 the District has achieved a 91 cents/square foot savings (77 cents for maintenance and 14 cents for custodial), excluding security, insurance, utilities and other unavoidable costs;
3. Zero base budgeting for the construction department effective with the FY 2004-2005 budget. This was verbally agreed to at the Advisory Board meeting and is consistent with Item D-6 by Ms. Perla Tabares Hantman, to have a pilot program on zero base budgeting;
4. A labor cost accounting system as it pertains to in-house construction overhead. This was recommended by Advisory Board member Ed London and was included in the Staff recommendation presented to and approved by the School Board at its December 19, 2003 meeting;
5. Track and correlate per square foot construction costs with cost per student station, for complete visibility and to establish a baseline for future improvement.

**REPLACEMENT**

A tentative list of proposed uses of the above referenced P.E.C.O. funds will be provided to the School Board under separate cover.

**RECOMMENDED:**

That The School Board of Miami-Dade County, Florida:

1. confirm the recommendations of the Miami-Dade County Land Advisory and Facilities Maintenance Operations Advisory Board, as outlined above in items 1 through 5; and
2. direct the Superintendent of Schools to take the necessary steps to appropriate and expend the approximate \$44M of withheld P.E.C.O. funds to P.E.C.O. eligible projects, upon release by the State of Florida prior to the February 1, 2004 reversion date, in accordance with Florida Statutes, and authorize changes to the Five-Year Facilities Work Program as necessary to accomplish same.