

Allen M. Vann, Chief Auditor  
Office of Management and Compliance Audits

**SUBJECT: INTERNAL AUDIT REPORT - CONTRACTOR PRE-QUALIFICATION  
PROCESS, JANUARY 2005, PRESENTED BY THE OFFICE OF  
MANAGEMENT AND COMPLIANCE AUDITS**

The objectives of the audit were to determine whether adequate procedures and controls exist over the review and analysis of contractors' pre-qualification applications, protect the District's interests and limit risk by adequately screening qualified contractors, and comply with applicable laws, regulations, and rules. As of the beginning of the audit fieldwork during March 2004, there were approximately 160 contractors pre-qualified for a maximum of approximately \$1.9 billion in single contract values and approximately \$9.7 billion in aggregate contracts values. We applied our testing and analyses to contractor pre-qualification applications that went to the Board between the period of July 1, 2002 and December 31, 2003.

We found that the contractor pre-qualification process needs improvement. Our findings, recommendations, and contents of the report were discussed in draft form with management. They provided input into the report's contents and also provided written responses along with explanations needed to assure that the findings and recommendations will be properly addressed.

The audit was reviewed by the School Board Audit Committee at its January 25, 2005 meeting and they recommended forwarding it to the School Board.

Copies of this report will be submitted to the Superintendent of Schools, and appropriate district staff and will be placed on file in the Office of the Recording Secretary to the School Board and in the Citizen Information Center.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida, receive and file the *Internal Audit Report - Contractor Pre-qualification Process, January 2005*, presented by the Office of Management and Compliance Audits.