

Ms. Ana Rivas Logan, Member

**SUBJECT:           REQUEST FOR BOARD CONCURRENCE ON A LETTER TO MEMBERS OF THE FLORIDA HOUSE OF REPRESENTATIVES PRE K-12 COMMITTEE AND MIAMI-DADE LEGISLATIVE DELEGATION STATING THE FACTS AND CIRCUMSTANCES SURROUNDING THE EXPIRATION OF THE CONTRACT FOR THE INSPECTOR GENERAL AND THE DISTRICT'S INTERNAL CONTROL MODELS AND SUPPORT OF BOARD ADOPTED LEGISLATIVE PRIORITIES AND PROGRAMS**

**COMMITTEE:       INSTRUCTIONAL EXCELLENCE & COMMUNITY ENGAGEMENT**

There has been much discussion in the press and in legislative chambers recently regarding the decision of The School Board of Miami-Dade County, Florida to allow the contract with the former Inspector General (IG) to expire. Many of the discussions have been less than accurate. Some of the statements that have been made are patently false, even impugning the integrity of this Board by implying that the Inspector General's Office was dismantled to protect Board Members themselves.

The situation with the IG has already become the topic of a Florida House Committee meeting. It is my understanding that there have been discussions about mandating such an office in large districts and funding them from FEFP funds. Given the level of these discussions regarding the IG and the sequence of events leading up to the expiration of the contract, possible ramifications of any misinformation concerning the actions of this Board, and the Board's ongoing discussions of this issue, it is important that an accurate record of circumstances and events be memorialized in writing and forwarded to the members of The Florida House of Representatives Pre-K 12 Committee and the Miami-Dade Legislative Delegation.

A letter has been drafted on behalf of this Board which lays out the sequence of events, Board actions, and current activity surrounding the Miami-Dade County Public School's internal control models including the IG. The letter is attached for approval by the Members of this Board and will be forwarded as indicated above.

**REPLACEMENT  
B-11**

As individual members of this Board, we must be cognizant of adopted Board positions when we are speaking in the political arena. As individual citizens it is, of course, our right to take any political position we choose. However, it does not go unnoticed that we are School Board Members. In order to strengthen our position in Tallahassee during the upcoming legislative session and in Washington, D.C., it is to this District's benefit to present a unified front in support of the policies, priorities and programs we have adopted as a Board. Individual Member's actions and positions that are counter to these policies, priorities and programs weaken our ability to be effective in the legislative arena and dilute the power of the Board's collective voice. Therefore, Board Members are asked to make every effort to support all Board adopted policies, priorities and legislative positions.

**ACTION PROPOSED BY  
MS. RIVAS LOGAN:**

That the School of Miami-Dade County, Florida:

1. approve the letter dated October 20, 2005 regarding the events related to the expiration of the Inspector General's Office and the District's internal control models to be sent on its behalf to members of The Florida House of Representatives Pre K-12 Committee and the Miami-Dade Legislative Delegation;
2. agree that each Board Member will support the Board adopted legislative policies and positions when acting in any official capacity; and
3. agree that each Board Member, when acting in an unofficial capacity and stating a position contrary to that of the Board, will clearly state that their position is in conflict with that of the Board or that the Board has not taken a position on the matter.

October 20, 2005

The Honorable Chair and Members of the PreK-12 Committee  
of the Florida House of Representatives

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Tallahassee, FL xxxxxx

Dear Mr. Chair and Members of the PreK-12 Committee:

After reviewing the information provided to your Committee at its September 15, 2005 hearing regarding the Office of the Inspector General (OIG) in Miami-Dade County Public Schools (M-DCPS), the School Board of Miami-Dade County, Florida, wants to correct the record on a number of important issues.

Words such as “eliminated” and “termination” were used in testimony to describe the School Board’s actions in August regarding the OIG. Nothing could be further from the truth. The School Board voted to allow its agreement with the Florida Department of Education to staff the OIG expire so that the office could be improved, not eliminated. As you know, the agreement was unprecedented, and it is only appropriate to review its effectiveness. The School Board has held several workshops specifically to discuss how to maintain a viable independent OIG while ensuring greater accountability for the tax dollars expended on that enterprise. In that way, the conversation has been very much in keeping with the mission of the OIG – to reduce waste. At the October 19, 2005, School Board meeting, the Board approved the Memorandum of Understanding for the Inspector General’s Office (see attached).

Currently, many investigations that were underway are being continued under the leadership of the District’s Chief Auditor, who is himself a former inspector general for a state university. As was noted at the hearing, M-DCPS has a “robust” internal audit department. The former inspector general turned over some investigative records to the State Attorney’s Office, and the district is cooperating fully with any investigations being pursued by external agencies.

At one of its workshops, the School Board was given data from the nation’s 10 largest school districts with which to benchmark its spending on investigative and internal audit functions.

This information is important context for you to consider in evaluating the cost of an independent inspector general.

Survey of Top 10 School Districts - IG/Auditors Benchmarking Data							
	District	Inspector General	Auditor	Oversight	Total	Total Budget	Percentage of Total Budget
1	New York City Department of Education		4,900,000	4,700,000	9,600,000	13,048,000,000	0.074%
2	Los Angeles Unified School District	7,000,000			7,000,000	13,352,000,000	0.052%
3	Chicago Public Schools	2,100,000	1,304,000		3,404,000	5,043,000,000	0.067%
4	Miami-Dade County Public Schools	918,000	3,596,000		4,514,000	4,901,000,000	0.092%
5	Clark County Schools		816,000		816,000	4,202,000,000	0.019%
6	Broward County Schools		1,584,000		1,584,000	4,140,000,000	0.038%
7	Houston Independent School District	1,300,000			1,300,000	1,695,000,000	0.077%
8	Philadelphia Public Schools	500,000	1,000,000		1,500,000	2,100,000,000	0.071%
9	Hawaii Public Schools		300,000		300,000	1,814,000,000	0.017%
10	Hillsborough County Schools		737,000		737,000	2,000,000,000	0.037%
Average					3,075,500,000	5,229,500,000	0.054%

The data reflects that M-DCPS was spending a significantly larger percentage of its operating budget on the OIG and its internal audit department than other large school districts with both inspector general and internal audit departments, as well as the districts closest in size to our district.

The PreK-12 Committee was told that the School Board intended to fund the OIG at \$250,000 this year. In fact, the OIG budget for 2005-2006 has not been amended in any way pending the conclusion of the School Board's work to improve its structure and governance. The nature of the School Board's discussions has been to seek to return the OIG to the mission and scope envisioned by the prior agreement with the state education department and discussions by the

Board at the time. The intent was to create an independent internal watchdog who could seek the initiation of investigations by various other existing agencies, including law enforcement and the State Attorney's Office, and to aid in those inquiries with in-house access to personnel and documents. The intent was not to create a parallel investigative unit that would lack both subpoena and arrest powers that are at the core of other agencies' investigative muscle.

<b>Inspector General's Budget</b>			
	<b>2003-2004</b>	<b>2004-2005</b>	<b>2005-2006</b>
	\$581,000	\$846,000	\$919,000*
*Does not include district employees from other departments which historically were temporarily assigned to the office.			

Finally, M-DCPS won the 2005 Magna Award from the National School Boards Association for its entire ethics program, of which the OIG is only one component. The award was not specifically for the creation and operation of the OIG, as was stated at your hearing.

**2005 Magna Award**  
**Miami Dade County Public Schools was the 2005 "grand prize winner"**  
**due to its "Comprehensive Ethics Program" which includes:**

1. An independent Office of the Inspector General;
2. Requirements of all employees to receive ethics training;
3. Establishment of an Ethics Advisory Board; and
4. Requirement of all employees to read the Code of Ethics and to certify that they understand the Code and will abide by it.

The School Board is committed to rooting out any waste, fraud and corruption that may exist in M-DCPS. Its commitment to this cause cannot be questioned given its groundbreaking decision to create the OIG in the first place. The value of independence and investigative autonomy are clear. What also is clear is the need for the School Board to understand the effectiveness of the OIG given the tax dollars being expended on it. The fact that there is a dispute today about the performance of the OIG is proof enough that the prior model of accountability was not working.

The School Board looks forward to working closely with the Committee and the Florida Legislature in ensuring that tax dollars are well spent and that waste is eliminated. An independent investigative function is vital to those tasks, and will continue to exist in M-DCPS.

Sincerely,

The School Board of Miami-Dade County, Florida