

Agustin J. Barrera, Chairman

**SUBJECT: APPROVAL OF PROPOSED INTERLOCAL AGREEMENT
WITH MIAMI-DADE COUNTY, FLORIDA**

COMMITTEE: INNOVATION, EFFICIENCY AND GOVERNMENTAL RELATIONS

**LINK TO DISTRICT STRATEGIC PLAN: ENSURE ADEQUATE AND EFFECTIVE INTERNAL
CONTROLS AND OPERATIONAL EFFICIENCY**

Pursuant to Agenda Item H-12, at its June 13, 2007 regular meeting, the Board authorized the initiation of rulemaking proceedings in accordance with the Administrative Procedure Act to promulgate a new School Board Rule 6Gx13-8A-1.08, (*Alternative Method of Securing the Services of an Inspector General*). This new Board Rule permits the Board to procure the services of an Inspector General through the execution of an Interlocal Agreement. In addition and in accordance with Agenda Item H-12, the Board approved, among other things, the following:

1) That the Chair negotiate an Interlocal Agreement ("Agreement") with Miami-Dade County for the provision of Inspector General services by the County's Office of the Inspector General; and 2) that such Agreement may contain terms, qualifications, and standards different from those set forth in School Board Rule 6Gx13-8A-1.07 (*Office of Inspector General*) as long as the terms are consistent with law. If such an agreement is executed, the terms of the Agreement would control and supersede School Board Rule 6Gx13-8A-1.07; and that the contract specify the organizational and reporting structure, and include an intergovernmental exchange of employees if determined to be appropriate.

A proposed Interlocal Agreement has been drafted and has been submitted and tentatively approved by the Miami-Dade County Inspector General. The finalized Agreement will be forwarded, under separate cover, to the Board. If approved, the Agreement will then be submitted for the Miami-Dade County Board of County Commissioners' review and approval. The proposed Agreement includes the following salient provisions:

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SCOPE & TERM:

- The Miami-Dade County Inspector General shall act as head of and fulfill the role of the School Board's Office of Inspector General ("SB OIG") and serve as the Inspector General for the School Board during the term of the Agreement.
- The organization and administration of the SB OIG shall be sufficiently independent to assure that no interference or influence external to the SB OIG adversely affects the independence and objectivity of the Inspector General.
- The Agreement shall take effect upon final execution by both the School Board and the County, for a term of three (3) years from the date it takes effect. This three (3) year term may be renewed for an additional term, the length of which must be determined and agreed upon by both parties.

FUNDING & BUDGET:

- The operations and services to be provided by the SB OIG to the School Board shall be adequately funded by the School Board at no cost to the County.
- The School Board will allocate \$75,000, as an initial amount of funds to the SB OIG, and place such funds in an account to be drawn by the SB OIG as needed, until an annual budget is agreed upon by the School Board and the Inspector General.
- The Inspector General will, within 90 days after the Agreement becomes effective present a proposed annual budget for the SB OIG and a method for its implementation. This proposed budget shall be inclusive of the resources to be provided by the County OIG through its professional staff and any operating expenditures made directly by the County OIG in the furtherance of this Agreement.
- If all parties cannot agree upon a budget in the manner prescribed by the Agreement, the Agreement shall be void ab initio, and any unexpended and unencumbered funds included in the initial funding allocation provided by the School Board, shall be returned to the School Board.
- Compensation for direct County OIG services shall be paid by the School Board within 30 days upon presentation of an invoice from the County OIG, which shall be submitted on a quarterly basis. Compensation for professional services rendered by County OIG personnel staff shall be computed at the individual's direct hourly salary, including all County payroll fringe and other benefits.

INDEMNIFICATION & LEGAL REPRESENTATION:

- The School Board agrees to indemnify and hold harmless the Inspector General, any member of the County OIG and any District personnel detached or assigned to the SB OIG for any civil actions, complaints, claims, or lawsuits that may be served on them resulting from the performance of this Agreement. The School Board will pay the legal fees and expenses resulting from the defense of any lawsuit filed as a result of the execution of this Agreement.
- The Inspector General, any members of the County OIG and any District personnel detached or assigned to the SB OIG, at their sole discretion, may use or retain the services of in-house, County, outside and/or private legal counsel of their choice, in the defense of such actions, and the cost of said services shall be paid for by the School Board.

INVESTIGATIVE AUTHORITY:

- The SB OIG shall have the authority to make investigations of School Board affairs and the power to review past, present and proposed School Board programs, accounts, records, contracts and transactions.
- The SB OIG shall have the power to require reports and the production of records from the Superintendent, School Board members, School District departments and allied organizations, and District officers and employees, regarding any matter within the jurisdiction of the Inspector General.
- The OIG shall have the power to report and/or recommend to the School Board and/or the Superintendent whether a particular project, program, contract, or transaction is or was necessary and, if deemed necessary, whether the method used for implementing the project or program is or was efficient both financially and operationally.
- The OIG shall have the power to analyze the need for, and the reasonableness of, proposed change orders. The Inspector General shall also be authorized to conduct any reviews, audits, inspections, investigations or analyses relating to departments, offices, committees, activities, programs and agencies of the School Board.
- The Inspector General shall have the power to audit, investigate, monitor, oversee, inspect, and review the operations, activities and performance and procurement process including, but not limited to, project design, establishment of bid specifications, bid submittals, activities of the contractor, its officers, agents and employees, lobbyists, School Board staff, and elected officials, in order to ensure compliance with contract specifications and detect corruption and fraud.

- The OIG shall be the designee of the District's chief executive officer for purposes of receiving Florida Whistle-blower's Act disclosures and investigating such claims.
- The Inspector General shall have the power to review and investigate any citizen's complaints regarding School Board projects, programs, contracts or transactions.
- The School Board, Superintendent, Chief Auditor, Office of Civil Rights Compliance, Civilian Investigative Unit, Office of Professional Standards and Miami-Dade Schools Police will cooperate with the Inspector General and SB OIG to achieve the goals of preventing and detecting fraud, waste, financial mismanagement, or other abuses, and promoting accountability, integrity, economy, and efficiency in government.
- Although the SB OIG does not intend to duplicate the work of District investigative departments, its audits, investigations, inspections and reviews may from time to time address the same or similar issues or activities being reviewed by such entities. In these cases, and in every case, SB OIG audits, investigations, inspections and reviews will be conducted separately and independently from the aforementioned activities, and upon conclusion, the SB OIG, where appropriate, shall refer the disposition or finalization of an audit, investigation, inspection or review to the appropriate school board entity for any additional action.

OFFICE SPACE & STAFFING:

- The School Board and District shall provide the SB OIG with appropriately located office space and sufficient physical equipment facilities together with necessary office supplies, equipment, and furnishings to enable the SB OIG to perform its functions.
- The Inspector General may make available staff members of the County's OIG to provide administrative, legal, investigative, audit and inspectional services. The provision of these services will be reimbursed by the School Board. County personnel providing services pursuant to this agreement, including the Inspector General, shall remain at all times employees of the County.
- The District Superintendent will make available personnel, resources and accommodations to the Inspector General in order to staff the SB OIG. Funding for personnel, resources and accommodations provided by the District shall be included in the annual allocation by the School Board for the SB OIG. The identification, duration, and terms of detachment of District personnel will be made by subsequent mutual written agreement(s) between the Inspector General and the Superintendent.

- During the term of the Agreement, the School Board will delegate to the Superintendent the authority to enter into personnel detachment agreements. These District employees will report directly to the Inspector General or his designee during the period of the detachment. District personnel detached to the SB OIG shall remain at all times employees of the School District.
- The Inspector General shall, subject to the budgetary allocation by the School Board, have the authority to retain and coordinate the services of Independent Private Sector Inspectors General (IPSIG) or other professional services, as required, when in the Inspector General's discretion he or she concludes that such services are needed to perform the duties and functions enumerated in this Agreement.

ANNUAL REPORT:

- The Inspector General shall annually submit to the School Board a written report concerning the work and activities of the SB OIG as it relates to the duties outlined in the Interlocal Agreement including, but not limited to, statistical information regarding the disposition of closed investigations, audits, and other reviews.

TERMINATION PROVISION:

- The Interlocal Agreement may be terminated for any reason, including convenience, by either party with thirty (30) days' written notice to the other party.

ACTION PROPOSED BY AGUSTIN BARRERA:

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

- 1) Approve the terms and conditions of the proposed Interlocal Agreement with the Miami-Dade County for the provision of Inspector General services by the County's Office of the Inspector General, including setting a proposed initial budget amount for the costs of the Agreement;
- 2) Authorize the Board Chair to further negotiate on behalf of the School Board any necessary terms with the appropriate representatives of Miami-Dade County for the purpose of finalizing the terms of the proposed Interlocal Agreement, **if necessary, including the authority to terminate negotiations and notify the Board that the Agreement cannot be finalized; and**
- 3) Authorize the submission of said finalized Agreement to the Board of County Commissioners for its approval.