

Office of School Board Members
Board Meeting of May 11, 2011

May 6, 2011

Office of the School Board Attorney
Walter J. Harvey, School Board Attorney

**SUBJECT: RENEGOTIATION OF INTERLOCAL AGREEMENT WITH
MIAMI-DADE COUNTY FOR THE PROVISION OF INSPECTOR
GENERAL SERVICES**

**LINK TO
STRATEGIC
FRAMEWORK: FINANCIAL STABILITY AND EFFICIENCY**

At its April 13, 2011, meeting, the School Board approved Agenda Item H-25 ("Request that the School Board Direct the School Board Attorney to Renegotiate the Interlocal Agreement Between The School Board and Miami-Dade County for the Provision of Inspector General Services in Order to Ensure Fair Compensation for Services Rendered") presented by School Board member Carlos L. Curbelo. Agenda Item H-25 sought to initiate the process for renegotiating certain terms in the Interlocal Agreement ("ILA") between the School Board and Miami-Dade County for the provision of Inspector General services.

The ILA was originally entered into between the School Board and the County on December 18, 2007 and was extended by Board action on July 14, 2010 until December 18, 2013. The ILA allows the County to provide the services of its Office of Inspector General to the School Board at established hourly rates. The sole purpose of Agenda Item H-25 was to seek to renegotiate the terms of the Interlocal, so that the School Board would not be charged for salary increases that it had not been advised of, prior to being invoiced for same.

As a result of the Board's action, on behalf of the School Board on April 25, 2011, a letter was issued by the School Board Attorney to the Honorable Joe A. Martinez, Chairman of the Miami-Dade County Commission requesting that the County designate an individual to renegotiate the terms of the ILA. In response to the Board Attorney's letter, Chairman Martinez issued a letter to the School Board Chair, Ms. Perla Tabares Hantman, on May 2, 2011, advising that a Resolution has been placed on the Commission's Agenda to exercise the ILA's termination provisions within thirty (30) days. (attached) The reason stated in his Resolution was the perception that any renegotiation of the costs of the ILA would be tantamount to the subsidizing of these services by the County. However, Chairman Martinez has notified the Board Chair that he will defer this Resolution until the School Board

GOOD CAUSE

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notifies the County whether it will operate under the current terms of the ILA or seek renegotiation of the ILA. By way of a May 4, 2011 letter, the Board Chair informed Chairman Martinez that the issue would be discussed at the May 2011 Board meeting. (attached) This item is presented for the Board's consideration in order to determine an appropriate response to Chairman Martinez' letter.

This item does not appear in the published Agenda. There exists good cause to vary from the published Agenda as correspondence from the Chair of the Board of County Commissioners on this matter was just transmitted this week.

RECOMMENDED: That The School Board of Miami-Dade County, Florida provide a response to the Chairman of the Board of County Commissioners of Miami-Dade County and make a determination with respect to the renegotiation of the Interlocal Agreement with the County on the provision of services from the Office of the Inspector General.



Office of the Chair
Chairman Joe A. Martinez
Miami-Dade Board of County Commissioners

May 2, 2011

Honorable Perla Tabares Hantman
Chairperson
Miami-Dade County Public Schools
1450 NE Second Avenue
Miami, FL 33132

Dear Chairperson Hantman:

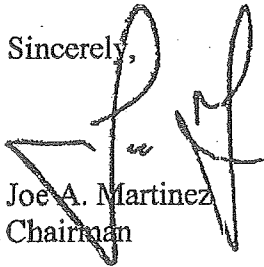
On December 27, 2007, Miami-Dade County entered into an Interlocal Agreement with the School Board of Miami-Dade County for the provision of inspector general services through the Office of the Miami-Dade County Inspector General (hereinafter "Interlocal Agreement"). Approval of the Interlocal Agreement by the County Commission was expressly conditioned on the "School Board [agreeing] to fully fund any activities undertaken by the office of the Inspector General on the School Board's behalf at no cost to Miami-Dade County."

The School Board recently approved an agenda item directing the School Board Attorney to initiate the process of renegotiating certain provisions of the Interlocal Agreement to decrease the compensation paid to the County for inspector general services. On April 25, 2011, School Board Attorney Walter J. Harvey sent a letter to me requesting that a person be designated to represent the County in such negotiations.

Under the Interlocal Agreement, the County only charges direct labor costs (i.e., salary and fringe benefits) and does not charge any additional fees for inspector general services. Consequently, any reduction in the amount of compensation to the County for inspector general services would necessarily require the County to subsidize inspector general services provided to the School Board. Because I do not believe that the County should subsidize the cost of inspector general services provided to the School Board, I have placed a resolution of the May 3, 2011 agenda of the County Commission which would terminate the Interlocal Agreement as provided in section 8 of the agreement.

Although I have placed this resolution on the agenda, it is my intention to defer the item so as to give the School Board an opportunity to consider whether it wishes to continue to utilize the services of the Inspector General under the terms and conditions agreed to by the parties in 2007. In the event the School Board decides that it wishes to retain the services of the Inspector General as provided in the Interlocal Agreement, I will withdraw my resolution. I look forward to hearing from you.

Sincerely,



Joe A. Martinez
Chairman

JM/gc

Miami-Dade County Public Schools

School Board Administration Building • 1450 N.E. 2nd Avenue • Suite 700 • Miami, Florida 33132

Perla Tabares Hantman
Chairman

Telephone: 305.995.1334
Fax: 305.995.2730

May 4, 2011

The Honorable Chairman Joe Martínez
Board of County Commissioners
Stephen P. Clark Center, Suite 220
Miami-Dade County, Florida 33128-1963

**RE: Interlocal Agreement Between The School Board of Miami-Dade
County and Miami-Dade County**

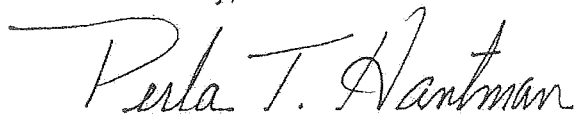
Dear Chairman Martínez:

I have reviewed your May 2, 2011 letter regarding the School Board's April 13, 2011 Agenda Item H-25 ("Request that the School Board Direct the School Board Attorney to Renegotiate the Interlocal Agreement Between The School Board and Miami-Dade County for the Provision of Inspector General Services in Order to Ensure Fair Compensation for Services Rendered"). As a fellow elected official, I appreciate your busy and demanding schedule. As such, I wish to thank you for your prompt response.

The purpose of the April 13th agenda item was a request to renegotiate the specific term of the Interlocal that permits the School Board to be invoiced for salary increases that it was not aware of. The purpose was not for the County to subsidize these services.

As to whether the School Board desires to continue under the current terms of the Interlocal or to seek a renegotiation (which you stated may not be feasible), I am unable to respond at this time. The School Board will hold its Committee meetings on May 5, 2011, and its regular meeting on May 11, 2011. These issues will be addressed. After receiving the Board's input, I will then respond to your inquiry.

Sincerely,


Perla Tabares Hantman, Chairman
Miami-Dade County School Board

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