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Office of Management and Compliance Audits

**SUBJECT:           AUDIT OF MIAMI-DADE COUNTY VALUE ADJUSTMENT  
BOARD (VAB) APPEALS PROCESS PHASE 2**

**COMMITTEE:       FISCAL ACCOUNTABILITY**

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

The Value Adjustment Board (VAB) is an entity that hears appeals from property owners who contest the Property Appraiser's Office assessments. In Miami-Dade County, the VAB, composed of five members, hires professional Special Magistrates to hear and make recommendations to the VAB on appealed property values.

In Florida, county tax rolls cannot be certified by the Property Appraiser until all VAB hearings have been completed. In recent years, the Miami-Dade County Property Appraiser's Office has experienced delays in certifying the final annual property tax roll, which results in multi-million dollar shortfalls in current revenue to the School District.

The Superintendent of Schools requested that the VAB appeals process be audited by our office to determine the cause for delays. The School Board, the Audit and Budget Advisory Committee (ABAC), and the VAB each has independently endorsed and/or approved this audit in an effort to determine what corrective measures can be implemented to prevent, reduce, or eliminate the backlog.

Due to the complexity of the overall VAB process, the number of governmental entities involved, and the resources and time needed to perform our work, the audit was divided into two phases.

In March 2015, we issued our report on the first phase of our audit of the Miami-Dade County's VAB appeals process, reporting on the operations of the VAB and the need to effect revisions to certain VAB processes, Florida Statutes, and Department of Revenue Rules. This, our second and final report, which focuses on the operations of the Miami-Dade County Property Appraiser's Office, relative to the VAB appeals process, communicates the results of our audit.

Our audit concludes that the VAB appeals process is unnecessarily delayed. Inefficient scheduling and staffing of VAB hearings by the VAB and Property Appraiser's Office, respectively, have directly contributed to the delay. In addition, the Property Appraiser's Office at times exerts a controlling influence over the VAB's scheduling of hearings, which have resulted in the maximum number of cases and hearing boards not being scheduled during each day.

Our audit also found that while the VAB has the authority to invoice the School District for 40% of its operating expenses, the Property Appraiser's Office does not have such authority.

In addition, our audit concludes that historically, the Property Appraiser's preliminary estimated values have been overstated when compared to the final values. The variances for Miami-Dade County values do not compare favorably to the state-wide variances.

In all, we made 13 recommendations to improve the processes and eliminate delays.

The report was presented to the ABAC at its July 9, 2015, meeting for its consideration and recommended transmitting it to the School Board.

Copies of this report were distributed and placed on file in the Office of the Recording Secretary to the School Board and in the Citizen Information Center. Additional copies will be provided upon request.

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**RECOMMENDED:** That The School Board of Miami-Dade County, Florida, receive and file the Audit of Miami-Dade County Value Adjustment Board (VAB) Appeals Process Phase 2.

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