

April 12, 2001

Ms. Jacqueline V. Pepper, Member

**SUBJECT: REQUEST THAT THE BOARD DIRECT THE SUPERINTENDENT, WITH THE ASSISTANCE OF THE SCHOOL BOARD AUDIT COMMITTEE, TO PREPARE A REQUEST FOR PROPOSALS (RFP) FOR PROFESSIONAL SERVICES TO PERFORM AN OUTSIDE AUDIT OF THE CONSTRUCTION MONIES EXPENDED SINCE THE 1988 BOND ISSUE AND REVIEW FACILITIES PLANNING AND CONSTRUCTION ORGANIZATIONAL STRUCTURE**

Recently, several things have happened which point to the need for the District to have an independent look into how the construction monies have been spent and the operations of Facilities Planning and Construction.

1. The internal audit of selected construction projects discussed in last month's School Board Audit Committee meeting, which will be reviewed later in this meeting, had significant findings regarding management activities.
2. The appointment of a new Chief Facilities Officer-Construction to replace retiring Dr. Paul Phillips.
3. The intense media scrutiny of construction projects and land acquisition practices.
4. The OPPAGA Report of April 2001 which identified difficulties in the planning, land acquisition, and funding (impact fees and SIT awards) areas of the department's activities.
5. The State Legislature is apparently in the process of instituting state controls on the District's use of state funds for construction activities.

An outside audit by construction auditing specialists of the monies spent in construction since the 1988 bond issue would provide the Board and the staff with the information to assure the public that our students have gotten and will continue to get the maximum benefit from every construction dollar. The public is not now convinced that their tax dollars are being used as efficiently as possible. The public's trust is absolutely essential if the District is to be successful in asking the public to approve any additional taxation for education. The State Legislature's trust is essential if the District is to be successful in obtaining any of the needed additional construction funding from the state.

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An outside audit of the organizational structure and the identification of inefficiencies, bottlenecks, and resource limitations that may impede the program's progress was performed by a major outside auditing firm in 1993 at a cost of \$50,000. It is recommended that the Board approve directing the Superintendent to proceed with the development of an RFP, with the assistance of the School Board Audit Committee, for the audit. At this time it is not possible to estimate the cost of this audit. However, for the purpose of being fiscally responsible, the Board may wish to place an upper limit on the allowable cost of this audit.

**ACTION PROPOSED BY  
JACQUELINE V. PEPPER:**

That The School Board of Miami-Dade County, Florida, direct the Superintendent, with the assistance of the School Board Audit Committee, to prepare an RFP for professional services to perform an outside audit of the construction monies expended since the bond issue of 1988, and of the organizational structure of Facilities Planning and Construction, and to present the RFP at the June 20, 2001, School Board meeting.]

Revised