

July 14, 2008

Mr. Renier Diaz de la Portilla, Board Member

SUBJECT: INDEPENDENT BUDGET REVIEWER

COMMITTEE: INNOVATION, EFFICIENCY, & GOV'T RELATIONS

LINK TO DISTRICT STRATEGIC PLAN: IMPROVE TRANSPARENCY OF DECISION-MAKING THROUGHOUT THE SCHOOL DISTRICT

The school district is facing a \$284 million shortfall, of which only \$219 million has been closed. With less than a month before being in violation of a constitutional mandate of presenting a balanced budget, the district has failed to reach an agreement with the United Teachers of Dade on teacher pay raises. The teacher pay raises are now scheduled to go before a special magistrate for a recommendation. Honoring the UTD contract would cost the district \$72 million. The current fiscal crises may force the district to declare a state of financial urgency, and many more employees fear losing their jobs on just a few days' notice. On the other hand, few reductions have been made to a district bureaucracy that pays out four times the amount in administrative salaries to its employees than their Broward counterparts. In short, the public and stakeholders have lost confidence in the administration's ability and or willingness to balance the 2008-2009 budget in a manner that is just and equitable to the teachers and many other employees who provide direct services to the district's 340,000 students.

In reviewing the public hearings and budget hearings held over the last few months, I have gleaned some useful recommendations from various stakeholders. Among the most constructive, was one posited by UTD attorney Mark Richards, who suggested the appointment of an independent "Budget Czar" to present a balanced budget to the Board that will properly address the administrative cuts that the administration is unwilling to impose on itself. Given the limited resources, and frankly, information, that Board members have received in attempting to balance a \$6.4 billion budget, the time has come to get a "second opinion" on how to best cure the budget woes of the district before it's too late.

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The adoption of the position of an Independent Budget Reviewer (IBR) shall improve the transparency and the decision-making throughout the budget drafting process for the 2008-2009 fiscal year. The IBR will also be able to make continuous adjustments as revenue projections from Tallahassee change. In improving the process, Miami-Dade County Public Schools will be able to have stronger relationships with our stakeholders, and reach strong amicable agreements with these stakeholders.

**ACTION PROPOSED BY
MR. RENIER DIAZ DE LA PORTILLA:**

The School Board of Miami-Dade County, Florida, authorizes the superintendent to have an invitation to bid for the services of an independent budget reviewer that will provide independent budget recommendations to the School Board of Miami-Dade County, Florida.

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