



# STATUS REPORT

## COUNTY-WIDE USE OF INSPECTORS GENERAL BY LARGE SCHOOL DISTRICTS

## Summary

During the May 17<sup>th</sup> School Board Meeting, the Board directed the Superintendent and General Counsel to review models within other school districts to provide Inspector General (IG) oversight. The Superintendent, General Counsel, and the office of Legislative Affairs met with the Miami-Dade County IG, Broward County IG, and the School District of Palm Beach County IG to gather information to carry out this directive.



# Summary

Currently, only a small fraction of the over 16,000 school districts in the United States employ an inspector general to oversee the school system. This report summarizes the experiences of three major school systems with an inspector general (Chicago, Miami-Dade, and Palm Beach).



# Process Outline

- 1) Researched the 20 largest school districts
- 2) Held meetings with:
  - Miami-Dade County Public Schools IG
  - Broward County IG
  - School District of Palm Beach



**Table 1. Top 20 US School Systems by 2012-2013 Enrollment**

Rank	School System	Enrollment	IG or Internal Auditor
<b>1</b>	<b>New York City, NY</b>	<b>1,036,053</b>	<b>Special Commissioner of Investigation *</b>
<b>2</b>	<b>Los Angeles Unified, CA</b>	<b>655,494</b>	<b>Inspector General</b>
<b>3</b>	<b>Chicago, IL</b>	<b>403,461</b>	<b>Inspector General</b>
<b>4</b>	<b>Miami-Dade County, FL</b>	<b>354,236</b>	<b>Inspector General **</b>
5	Clark County, NV	311,429	Internal Audit
6	Broward County, FL	260,234	Internal Audit
<b>7</b>	<b>Houston, TX</b>	<b>202,586</b>	<b>Inspector General</b>
8	Hillsborough County, FL	200,287	Internal Audit
9	Hawaii, HI	183,251	Internal Audit
10	Orange County, FL	183,021	Internal Audit
11	Fairfax County, VA	181,536	Internal Audit
<b>12</b>	<b>Palm Beach County, FL</b>	<b>179,494</b>	<b>Inspector General</b>
13	Gwinnett County, GA	163,062	Internal Audit
14	Dallas, TX	158,680	Internal Audit
15	Wake County, NC	149,508	Internal Audit
16	Montgomery County, MD	148,779	Internal Audit
<b>17</b>	<b>Philadelphia, PA</b>	<b>143,898</b>	<b>Inspector General</b>
18	Charlotte-Mecklenburg, NC	142,612	none
19	San Diego Unified, CA	130,270	Internal Audit
20	Duval County, FL	125,662	Internal Audit

\* The title of the IG-equivalent is the "Special Commissioner of Investigations.

\*\* Interlocal agreement between MDCPS and Miami Dade County Office of the Inspector General



# Inspector General vs. Internal Auditor

## **According to the Association of Inspectors General:**

Inspectors general at all levels of government are entrusted with fostering and promoting accountability and integrity in government....The public expects OIGs to hold government officials accountable for efficient, cost-effective government operations and to prevent, detect, identify, expose and eliminate fraud, waste, corruption, illegal acts and abuse.



# Inspector General vs. Internal Auditor

Internal auditing differs from the work of an IG. **Internal auditing is:**

[A]n independent, objective assurance and consulting activity designed to add value and improve an organization's operations ... by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes



# Chicago Public Schools

In FY15, Chicago Public Schools (CPS) had just over 400,000 students, 650 schools and programs, approximately 40 thousand employees and a \$5.5 billion budget. The Office of the Inspector General had a budget of **\$1.77 million and 17 positions**. The office received 1,373 complaints alleging misconduct, waste, and financial mismanagement in FY 15.

The IG is appointed by the Mayor.





# The School District of Palm Beach County

In FY15, the School District of Palm Beach County, FL had just under 179,000 students, 184 schools and programs, and an annual budget of \$2.3 billion. The school district's Office of the Inspector General had a **\$2.1 million budget and 18 positions.**

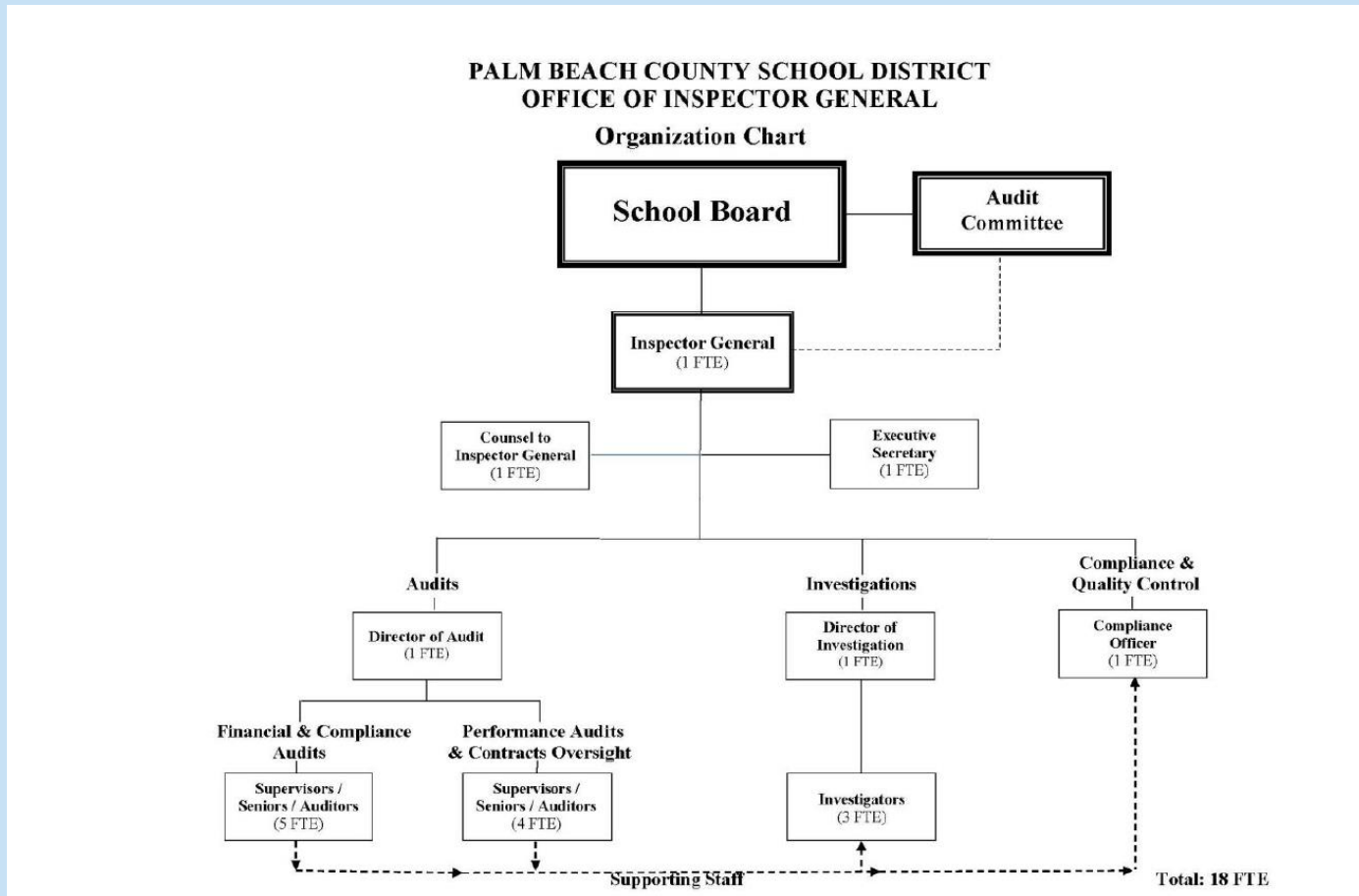
The OIG performs financial audits, performance audits, and investigations. In FY15, the Palm Beach County OIG performed audits related to school money collection, leasing of school facilities, and several performance audits. The Office received 98 complaints in FY15.

The IG reports to the School Board.

The IG does not have subpoena power.



# The School District of Palm Beach County



# Miami-Dade County Public Schools

In FY15, Miami-Dade County Public Schools had just over 355,000 students, 464 schools and programs, 40,000 employees and an annual budget of \$4.8 billion. Since 2007 via an interlocal agreement<sup>1</sup>, the Miami-Dade County Inspector General has served as the Inspector General for the School Board. In FY15, the SB Office of the Inspector General employed **5 personnel with a budget of \$0.8 million.**

The OIG also provides oversight of the school system's general obligation bond program and monitors selected capital procurements.

The School Board OIG responded to 85 complaints in FY15. They report that audits and investigations performed in FY15 have resulted in over \$2.65 million in averted losses, projected savings, financial recoveries, and increased revenues for the school district.



# Broward County Inspector General

The Superintendent, General Counsel, and the office of Legislative Affairs met the Broward County IG. The IG stated that their office may not have the authority to oversee the school district. It may require a change to the county charter or a county ordinance.



# Discussion

