

AGENDA REQUEST FORM
THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Meeting Date 07/24/12	Open Agenda <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Special Order Request <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
		Agenda Item Number DD-3

TITLE: External Audit Report – Operational Review of Facilities and Construction Management – McGladrey LLP															
REQUESTED ACTION: Receive External Audit Report – Operational Review of Facilities and Construction Management – McGladrey LLP.															
SUMMARY EXPLANATION AND BACKGROUND: <p>At the request of the Superintendent and in accordance with the Office of the Chief Auditor's (OCA) Audit Plan for the 2011-2012 fiscal year, McGladrey, LLP was hired to conduct an Operational Review of the Facilities and Construction Management Division (F&CM). This report included specific control and compliance, testing procedures for the Parkway Middle School and Walker Elementary School projects. The report identified nine sub-processes and areas, which revealed a general lack of consistency between the F&CM's current policies and best practices in the industry. They identified thirty-six observations related to best practices and seven compliance observations. The severity of each type of observation and the potential impact on the operations were rated. Items were rated as High, Moderate or Low risk. In addition, they identified potential cost avoidance practices, provided exhibits to assist F&CM's implementation of best practice recommendations to help reduce the gap between industry best practices and current policy. In conjunction with McGladrey's compliance and best practice procedures, they reviewed various reports issued by the OCA and noted that the OCA had previously documented various observations similar to those identified in this report. It was also recommended that F&CM utilize its internal resources. Specifically, F&CM can improve the effectiveness of communications and increased cost savings measures by involving the Design Services and Contracts/Cost Estimating Departments more frequently.</p> <p>The Audit Committee reviewed and approved this report for transmittal to the School Board during the Committee's June 21, 2012 meeting.</p>															
SCHOOL BOARD GOALS: <table style="width: 100%; border: none;"><tr><td style="width: 10%;"><input type="checkbox"/> • Goal One:</td><td>Raise achievement of all students to ensure graduation from high school and readiness for post-secondary education.</td></tr><tr><td><input type="checkbox"/> • Goal Two:</td><td>Improve the health and wellness of students and personnel.</td></tr><tr><td><input checked="" type="checkbox"/> • Goal Three:</td><td>Provide a safe and secure physical and technological environment for all students and employees.</td></tr><tr><td><input checked="" type="checkbox"/> • Goal Four:</td><td>Promote innovation which focuses on best practices and quality efforts that improve our best-in-class position.</td></tr><tr><td><input type="checkbox"/> • Goal Five:</td><td>Recruit, develop, retain, and recognize high performing and diverse faculty and personnel.</td></tr><tr><td><input type="checkbox"/> • Goal Six:</td><td>Build strong partnerships with family, business, community and government at the classroom, school, area, and district level.</td></tr><tr><td><input type="checkbox"/> • Goal Seven:</td><td>Ensure district's leadership as an environmental steward through innovative ecology and energy conservation programs.</td></tr></table>		<input type="checkbox"/> • Goal One:	Raise achievement of all students to ensure graduation from high school and readiness for post-secondary education.	<input type="checkbox"/> • Goal Two:	Improve the health and wellness of students and personnel.	<input checked="" type="checkbox"/> • Goal Three:	Provide a safe and secure physical and technological environment for all students and employees.	<input checked="" type="checkbox"/> • Goal Four:	Promote innovation which focuses on best practices and quality efforts that improve our best-in-class position.	<input type="checkbox"/> • Goal Five:	Recruit, develop, retain, and recognize high performing and diverse faculty and personnel.	<input type="checkbox"/> • Goal Six:	Build strong partnerships with family, business, community and government at the classroom, school, area, and district level.	<input type="checkbox"/> • Goal Seven:	Ensure district's leadership as an environmental steward through innovative ecology and energy conservation programs.
<input type="checkbox"/> • Goal One:	Raise achievement of all students to ensure graduation from high school and readiness for post-secondary education.														
<input type="checkbox"/> • Goal Two:	Improve the health and wellness of students and personnel.														
<input checked="" type="checkbox"/> • Goal Three:	Provide a safe and secure physical and technological environment for all students and employees.														
<input checked="" type="checkbox"/> • Goal Four:	Promote innovation which focuses on best practices and quality efforts that improve our best-in-class position.														
<input type="checkbox"/> • Goal Five:	Recruit, develop, retain, and recognize high performing and diverse faculty and personnel.														
<input type="checkbox"/> • Goal Six:	Build strong partnerships with family, business, community and government at the classroom, school, area, and district level.														
<input type="checkbox"/> • Goal Seven:	Ensure district's leadership as an environmental steward through innovative ecology and energy conservation programs.														
FINANCIAL IMPACT: The source of funds to perform this Operational Review was the General Fund budget allocation for the Office of the Chief Auditor. The Audit fee charged by McGladrey, LLC for performing the audit was \$99,950.															
EXHIBITS: (List) Audit Report prepared by McGladrey, LLP.															
BOARD ACTION: <div style="text-align: center; border: 1px solid black; padding: 5px; width: fit-content; margin: 10px auto;">RECEIVED</div> <p>(For Official School Board Records' Office Only)</p>	SOURCE OF ADDITIONAL INFORMATION: Patrick Reilly (754) 321-2400 <hr/> <div style="display: flex; justify-content: space-between;">NamePhone</div>														

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

Patrick Reilly, Chief Auditor *PR*
Office of the Chief Auditor
Approved in Open Board Meeting on:

JUL 24 2012

By:

Carr Murray

School Board Chair