



October 13, 2011

To the Chairperson and Members of
The School Board of Miami-Dade County, Florida

We have audited the Statement of Financial Position of the Educational Facilities Impact Fee Fund (the “Fund”) of The School Board of Miami-Dade County, Florida, (the “School Board”) as of June 30, 2011, and the related Statement of Revenues, Expenditures and Changes in Fund Balance for the year then ended, and have issued our report thereon dated October 13, 2011. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated September 12, 2011. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Fund are described in Note 1 to the special-purpose financial statements. No new accounting policies were adopted except for the provisions of GASB 54 which is described in Note 1 to the special-purpose financial statements. The application of other existing policies was not changed during the year ended June 30, 2011. We noted no transactions entered into by the Fund during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the special-purpose financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of the commitments related to the Fund’s future revenue; see Note 6 on Commitments to the special-purpose financial statements.



Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no audit adjustments.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 13, 2011.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Fund's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Fund's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.



This information is intended solely for the use of the Chairperson and Members of the School Board of Miami-Dade County, Florida, the Audit Committee and management and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

C BORDERS-BYRD, CPA LLC

A handwritten signature in black ink that reads "C Borders-Byrd, CPA LLC". The signature is written in a cursive, flowing style.

By: Cynthia Borders-Byrd
Managing Member



REQUIRED COMMUNICATIONS UNDER GOVERNMENT AUDITING STANDARDS

You have engaged us to conduct an audit of the Fund's special-purpose financial statements for the year ended June 30, 2011 in accordance with auditing standards generally accepted in the United States, and the standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities for testing and reporting on internal control and on compliance with applicable laws and regulations and provisions of contracts under those standards are described in the table below. In addition, the table contrasts our responsibilities in this engagement with other procedures that could be performed in other financial-related audits.

Our Responsibility Regarding Internal Controls

Our Responsibility Regarding Compliance with Laws and Regulations

Financial Statement Audit—GAAS

We will consider the Fund's internal control over financial reporting solely for the purpose of planning our audit and determining the nature, timing and extent of our audit procedures to enable us to express an opinion on the financial statements. This consideration will not be sufficient to enable us to express an opinion on internal control or to identify all deficiencies, significant deficiencies and material weaknesses. We communicate, in writing, any deficiencies, significant deficiencies or material weaknesses that are identified during the audit, including deficiencies, significant deficiencies and material weaknesses that were communicated to management and those charged with governance on previous audits, and have not yet been remediated. Our communication does not provide an opinion on the effectiveness of internal control over financial reporting.

We design the audit to provide reasonable assurance of detecting fraud that is material to the financial statements and illegal acts that have a direct and material effect on the financial statement amounts. Our report does not express an opinion on compliance with laws, regulations and provisions of contracts or agreements. We have no responsibilities to be alert for, or to report, abuse.

Financial Statement Audit—Government Auditing Standards

In addition to the GAAS responsibilities, we are required to issue a written report on our consideration of internal control over financial reporting and identify significant deficiencies, indicating those that are material weaknesses. Our reports do not provide assurance on internal control over financial reporting. If a significant deficiency is remediated before our report is issued, and we obtain sufficient, appropriate evidence supporting the remediation of the significant deficiency, then we will report the significant deficiency and the fact that it was remediated before our report was issued. We report other deficiencies in internal control, except those that are clearly inconsequential, in a management letter.

In addition to the GAAS responsibilities, we design our audit to provide reasonable assurance of detecting material misstatements resulting from noncompliance with provisions of contracts or agreements that have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives. We issue a written report on the results of these procedures; however, our report does not express an opinion on compliance or on other matters. We report significant violations of provisions of contracts or agreements and abuse that are less than significant but more than inconsequential in a management letter.

Other Procedures

We could be engaged to perform agreed-upon procedures related to, or examine and report on, management's written assertion as to the design and operating effectiveness of internal control. The engagement would be conducted in accordance with AICPA standards for attestation engagements.

We were not engaged to perform any other procedures.

In addition to the above communications, *Government Auditing Standards* also require us to provide you with the latest peer review report. Our peer review report was attached to the engagement letter.

**THE SCHOOL BOARD
OF MIAMI-DADE COUNTY, FLORIDA
EDUCATIONAL FACILITIES
IMPACT FEE FUND**

Special-Purpose Financial Statements
As of and for the Years Ended June 30, 2011 and 2010



C Borders-Byrd, CPA LLC
Accountants and Consultants

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Special-Purpose Financial Statements

June 30, 2011 and 2010

Contents

Report of Independent Certified Public Accountants.....	1
Special-Purpose Financial Statements	
Statements of Financial Position	3
Statements of Revenues, Expenditures and Changes in Fund Balance	4
Notes to Special-Purpose Financial Statements	5
Combining Financial Statements	
Combining Statement of Financial Position.....	14
Combining Statement of Revenues, Expenditures and Changes in Fund Balance.....	15
Required Supplementary Information	
Schedule of Construction in Progress and COPS Debt Service Commitments.....	16
Report of Independent Certified Public Accountants on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	17
Schedule of Comments and Recommendations	19



Report of Independent Certified Public Accountants

Chairperson and Members of
The School Board of Miami-Dade County, Florida

We have audited the accompanying Statements of Financial Position of the Educational Facilities Impact Fee Fund (the "Fund") of The School Board of Miami-Dade County, Florida, (the "School Board") as of June 30, 2011 and 2010, and the related Statements of Revenues, Expenditures and Changes in Fund Balance for the years then ended. These special-purpose financial statements are the responsibility of the School Board's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audits provide a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared for the purpose of complying with the Interlocal Agreement between The School Board of Miami-Dade County, Florida, and Miami-Dade County, Florida. As disclosed in Note 1, these special-purpose financial statements present only the financial position of the Educational Facilities Impact Fee Fund as of June 30, 2011 and 2010 and the results of operations for the years then ended and is not intended to present fairly the financial position and results of operations of The School Board of Miami-Dade County, Florida.

In our opinion, the special-purpose financial statements referred to above present fairly, in all material respects, the financial position of the Educational Facilities Impact Fee Fund of The School Board of Miami-Dade County, Florida, as of June 30, 2011 and 2010, and the results of its operations for the years then ended in conformity with accounting principles generally accepted in the United States of America.



In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2011 on our consideration of the Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the special-purpose financial statements taken as a whole. The accompanying Combining Financial Statements on pages 14 and 15 are presented for purposes of additional analysis and are not a required part of the special-purpose financial statements. This information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements. In our opinion, the information is fairly stated in all material respects in relation to the special-purpose financial statements taken as a whole.

The information listed as required supplementary information in the table of contents is not a required part of the special-purpose financial statements, but is supplementary information required by the Interlocal Agreement between The School Board of Miami-Dade County, Florida, and Miami-Dade County, Florida. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

C. Borders-Byrd, CPA LLC

Miami, Florida
October 13, 2011

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Statements of Financial Position

	June 30	
	2011	2010
Assets		
Cash and investments	\$ -	\$ 1,652,790
Interest and dividends receivable	31	1,277
Due from Miami-Dade County	2,273,477	1,531,242
Total assets	<u>\$ 2,273,508</u>	<u>\$ 3,185,309</u>
Liabilities and fund balance		
Liabilities:		
Due to other funds	\$ 1,212,790	\$ -
Total liabilities	<u>1,212,790</u>	<u>-</u>
Fund balance:		
Restricted for:		
Capital projects	1,060,718	3,185,309
Total fund balance	<u>1,060,718</u>	<u>3,185,309</u>
Total liabilities and fund balance	<u>\$ 2,273,508</u>	<u>\$ 3,185,309</u>

The accompanying notes are an integral part of the special-purpose financial statements

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Statements of Revenues, Expenditures and Changes in Fund Balance

For the Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Revenues:		
Impact fees	\$ 7,078,370	\$ 5,626,908
Investment income	780	3,459
Total revenues	<u>7,079,150</u>	<u>5,630,367</u>
Expenditures:		
Administrative	96,657	182,968
Total expenditures	<u>96,657</u>	<u>182,968</u>
Excess of revenues over expenditures	6,982,493	5,447,399
Other financing (uses):		
Operating transfers out – debt service fund	(9,107,084)	(5,333,459)
Total other financing (uses)	<u>(9,107,084)</u>	<u>(5,333,459)</u>
Excess (deficiency) of revenues over expenditures and other financing (uses)	<u>(2,124,591)</u>	113,940
Beginning fund balance	3,185,309	3,071,369
Ending fund balance	<u>\$ 1,060,718</u>	<u>\$ 3,185,309</u>

The accompanying notes are an integral part of the special-purpose financial statements

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements

June 30, 2011

1. Summary of Significant Accounting Policies and Reporting Practices

Reporting Entity

The Educational Facilities Impact Fee Fund (the "Fund") of The School Board of Miami-Dade County, Florida, (the "School Board") was established pursuant to Section 235.19 of the Florida Statutes and Ordinance 95-79 of Miami-Dade County, Florida, (the "Ordinance") in May of 1995. The Ordinance was passed by the Miami-Dade County Board of County Commissioners for the express purpose of levying impact fees on new residential developments and additions to residences. These fees provide resources for the construction of educational facilities necessitated by residential development. The Educational Facilities Impact Fee is collected and accounted for based on one of three Benefit Districts created under the Ordinance. Monies collected are required to be expended for the development and/or acquisition of educational facilities within the Benefit District where the monies were collected.

The administration of the Fund is governed by Ordinance 95-79 of Miami-Dade County, Florida, the Educational Facilities Impact Fee Administration Manual and the Interlocal Agreement between The School Board of Miami-Dade County, Florida, and Miami-Dade County, Florida.

The School Board accounts for the impact fee activities in separately identifiable funds within the Capital Projects Funds. The special-purpose financial statements present the financial operations of the Impact Fee Fund only and do not include the assets, liabilities, fund balances and the revenues and expenditures of The School Board of Miami-Dade County, Florida.

For financial reporting purposes, the Fund is a fund of The School Board of Miami-Dade County, Florida, and is thus included in the School Board's comprehensive annual financial report.

Measurement Focus, Basis of Accounting and Basis of Presentation

The accounts of the Fund are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

The Educational Facilities Impact Fee Fund is reported as the following fund type:

Governmental funds are used to account for the government's general government activities. Government fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay the liabilities of the current period. For this purpose the government considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and claims and judgments are recorded only when payment is due.

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements - Continued

June 30, 2011

1. Summary of Significant Accounting Policies and Reporting Practices (continued)

Investments

Investments are carried at fair value and include primarily U.S. Agency obligations and money market mutual funds.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results may differ from those estimates.

Fund Balances

For fiscal year 2010/11, the Fund adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes accounting and financial reporting standards for governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The objective of the statement is to provide a more structured classification of fund balance and to improve usefulness and understanding of fund balance information to the users of the Fund's financial statements. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based upon the extent to which the government is bound to honor constraints on the uses of those resources.

GASB Statement No. 54 requires the fund balance to be properly reported within one of the fund balance categories listed below:

Nonspendable - Fund balance amounts that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to be maintained intact.

Restricted - Fund balance amounts on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions or enabling legislation.

Committed - Fund balance amounts that can only be used for specific purposes pursuant to constraints imposed by the formal action of the highest level of decision-making authority (The School Board). The amounts can not be used for any other purpose unless the School Board removes or changes the specified use by taking the same formal action it employed to commit the amounts.

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements - Continued

June 30, 2011

1. Summary of Significant Accounting Policies and Reporting Practices (continued)

Assigned - Fund balance amounts intended to be used for specific purpose but are neither restricted nor committed. Assigned amounts include those that have been set aside for a specific purpose by actions of The School Board or Superintendent and not included in other categories.

Unassigned - Includes negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

The Fund considers restricted or unrestricted amounts spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

2. Cash and Investments

The Fund's surplus funds are invested directly by the District's Office of Treasury Management. The Fund did not have any cash or investments at June 30, 2011.

As authorized under State Statutes, the School Board has adopted School Board Rule 6Gx13- 3B-1.01, *Deposit and Investment Policies for School Board Funds*, (Investment Policy) as its formal Investment Policy for all surplus funds, except for the Supplemental Early Retirement Funds, which are invested under School Board Rule 6Gx13- 4D-1.102. School Board Rule 6Gx13- 3B-1.01 policies permit the following investments and are structured to place the highest priority on the safety of principal and liquidity of funds:

- Time Deposits – School Board and State approved designated depository.
- U.S. Government direct obligations.
- Revolving Repurchase Agreements or similar investment vehicles for the investment of funds awaiting clearance with financial institutions.
- Commercial Paper rated A1/P1/F1 or better.
- Bankers Acceptances with the 100 largest banks in the world.
- State Board of Administration Local Government Investment Pool.
- Obligations of the Federal Farm Credit Banks.
- Obligations of the Federal Home Loan Bank.
- Obligations of the Federal Home Loan Mortgage Corporation.

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements - Continued

June 30, 2011

2. Cash and Investments (continued)

- Obligations guaranteed by the Government National Mortgage Association.
- Obligations of the Federal National Mortgage Association.
- Securities of any investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C.

Interest Rate Risk: In accordance with its investment policy under Board Rule 6Gx13- 3B-1.01, the School Board manages its exposure to declines in fair values by substantially limiting the weighted average maturity on all investments to one year or less. U.S. Government Agency Securities of the Fund include approximately \$1,473,000 in 2010 in callable securities that are assumed to be called on the next call date, and as such, the weighted average maturity reflects the call date as the maturity date for these securities.

U.S. Government Agency Securities include approximately \$1,473,000 in step-up securities with .09 year weighted average maturities in fiscal year 2010.

Credit Risk:

Investment Type	Rating	Percentage of Investments
		2010
Federal Farm Credit Bank	AAA	-
Federal Home Loan Bank	AAA	42.20%
Federal Home Loan Mortgage Corporation	AAA	11.73%
Federal National Mortgage Association	AAA	35.18%
Commercial Paper	A1+/A1/P1/F1	-
Money Market Mutual Funds	AAA	10.89%
State Board of Administration	Not Rated	-
Guaranteed Investment Contract	Not Rated	-
Corporate Bonds	AA/A/B	-

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements - Continued

June 30, 2011

2. Cash and Investments (continued)

Concentration Risks: The District permits up to 20% in Federal Farm Credit Bank, 20% Federal Home Loan Bank, 20% in Federal Home Loan Mortgage Corporation and 20% in Federal National Mortgage Association agency securities. In addition, investment in Money Markets is permitted without limitations.

The Fund's cash primarily include money market accounts and certificate of deposits. At June 30, 2011 and 2010, the deposits' fair value and bank balances were zero, respectively. All bank balances of the School Board are fully insured or collateralized.

Cash and investments for the Fund as of June 30, 2010, were as follows:

<u>Investment Type</u>	<u>Fair Value (In Thousands)</u>	<u>Weighted Average Maturity (Years)</u>
U.S. Government Agency	\$ 1,473	.09
Money Market Mutual Funds	180	.06
Total Investments	<u>1,653</u>	.09
 Total Cash and Investments	 <u><u>\$ 1,653</u></u>	

3. Credits and Contributions In-Lieu-Of Impact Fees

Credits or contributions in-lieu-of impact fees up to the full amount of the fee (excluding the administrative charge) are available, subject to certain provisions, for land or monetary contributions provided by the fee payer prior to October 1, 1995 (credit) or negotiated after October 1, 1995 (contributions in-lieu-of impact fees). As of June 30, 2011, the County has reported approximately \$11,098,000 of approved credits and contributions in-lieu-of impact fees of which none have been applied as of June 30, 2011 and remain available to be applied in future years. There were no credits and contributions in-lieu-of impact fees applied during fiscal years 2011 and 2010, respectively.

4. Letters of Credit

Fee payers are permitted to secure their impact fee obligation by letter of credit payable to Miami-Dade County, Florida, upon completion of the development project. The fees associated with these letters of credit are not currently available and as such have not been reported within the special-purpose financial statements. Approximately \$203,595 and \$872,900 in letters of credit were payable to Miami-Dade County, Florida, at June 30, 2011 and 2010, respectively.

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements - Continued

June 30, 2011

5. Intergovernmental Transactions

Due from Miami-Dade County

At June 30, 2011 and 2010 Miami-Dade County owed the Fund approximately \$2,273,477 and \$1,531,242, respectively, in impact fees collected from the Benefit Districts.

Operating Transfers Out

For the fiscal years ended June 30, 2011 and 2010, the Fund transferred \$9,107,084 and \$5,333,459, respectively, to The School Board of Miami-Dade County, Florida, debt service fund to cover principal and interest payments on the Series 2001C, Series 2004A, Series 2005A, Series 2006C and Series 2006D Certificates of Participation.

Administrative Expenditures

The School Board provides certain personnel services and other administrative costs to the Fund. Actual costs reimbursed to the School Board totaled approximately \$96,657 and \$182,968 for fiscal years ended June 30, 2011 and 2010, respectively.

6. Commitments

The Interlocal Agreement requires the School Board to expend or encumber impact fee revenues within six years from the date of collection. Impact fees have been committed for the schools and COPS debt service payments.

In accordance with the provisions of the 2000 First Amended Interlocal Agreement between Miami-Dade County and The School Board of Miami-Dade County, Florida, the School Board has issued Certificates of Participation ("COPS"). As of June 30, 2011, there is approximately \$205,220,138 of impact fee COPS outstanding.

The School Board has available the non-voted millage known as the "Local Option Millage Levy" as a primary source of funding for the COPS debt service. Additionally, the agreement provides that the School Board is entitled to be reimbursed from future impact fee revenues for COPS debt service payments from non-impact fee revenues.

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements - Continued

June 30, 2011

6. Commitments (continued)

The current Educational Facilities Impact Fee Ordinance (Impact Fees) was adopted in 1995 and recommended revisions to the Impact Fees methodology and increase in fees completed in January 2006 were not adopted by Miami-Dade County (County). While the proposed amendments to the impact fees were approved on first reading by the Board of County Commissioners (BCC) on February 20, 2007 and subsequently scheduled for a public hearing before the BCC Government, Operations & Environment (GOE) Committee on July 11, 2007, the item was tabled at the time and has not been rescheduled.

On September 26, 2001, the School Board issued \$42,235,000 in Series 2001C Certificates of Participation (COPS). The Series 2001C COPS were issued in order to acquire educational facilities in the East and Northwest Benefit Districts. Impact Fee monies from these Benefit Districts have been committed for the debt service on the Series 2001C COPS.

During fiscal year 2005, proceeds of approximately \$15,120,000 from Series 2004A COPS were used to partially refund the 2001C COPS, with the final payment for the 2001C COPS due on October 1, 2012. The Series 2001C COPS mature in October 2012 and pay interest ranging from 4.2% to 5.5%.

During fiscal 2007 proceeds of approximately \$11,300,000 from Series 2006D COPS were used to partially refund the 2001C COPS, with the final payment for the partially refunded 2001C COPS due on October 1, 2012. The total remaining obligation under the Series 2001C COPS is as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2012	\$ 1,925,000	\$ 40,425	\$ 1,965,425
Total	<u>\$ 1,925,000</u>	<u>\$ 40,425</u>	<u>\$ 1,965,425</u>

On July 12, 2004, the District issued \$87,210,000 in Refunding Certificates of Participation (COPS) Series 2004A for the purpose of refunding a portion totaling \$82,820,000 of the 2000A and 2001C Certificates. The 2004A Certificates mature on October 1, 2020 and will pay interest ranging from 3.5% to 5.25%.

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements - Continued

June 30, 2011

6. Commitments (continued)

The total obligation under the series 2004A COPS are as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2012	\$ 5,450,000	\$ 3,685,425	\$ 9,135,425
2013	7,205,000	3,451,513	10,656,513
2014	7,810,000	3,170,150	10,980,150
2015	7,435,000	2,871,268	10,306,268
2016	8,510,000	2,518,638	11,028,638
Thereafter	44,100,000	5,578,650	49,678,650
Total	<u>\$ 80,510,000</u>	<u>\$ 21,275,644</u>	<u>\$ 101,785,644</u>

On June 15, 2005, the School Board issued \$53,680,000 in Certificates of Participation (COPS) Series 2005A. The 2005A Certificates mature on April 1, 2020 and will pay interest ranging from 4% to 5%.

The total obligation under the series 2005A COPS are as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2012	\$ 2,040,000	\$ 1,077,000	\$ 3,117,000
2013	2,040,000	1,058,625	3,098,625
2014	2,040,000	956,625	2,996,625
2015	2,040,000	854,625	2,894,625
2016	3,345,000	752,625	4,097,625
Thereafter	13,380,000	1,672,500	15,052,500
Total	<u>\$ 24,885,000</u>	<u>\$ 6,372,000</u>	<u>\$ 31,257,000</u>

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Notes to Special-Purpose Financial Statements - Continued

June 30, 2011

6. Commitments (continued)

On May 10, 2006, the School Board issued \$53,665,000 in COPS Series 2006C. The Series 2006C COPS mature on October 1, 2021 and will pay interest ranging from 3.875% to 5%.

The total obligation under the series 2006C COPS are as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2012	\$ 3,065,000	\$ 1,955,819	\$ 5,020,819
2013	3,205,000	1,817,097	5,022,097
2014	3,330,000	1,688,400	5,018,400
2015	3,470,000	1,552,400	5,022,400
2016	3,630,000	1,392,250	5,022,250
Thereafter	26,030,000	4,094,250	30,124,250
Total	<u>\$ 42,730,000</u>	<u>\$ 12,500,216</u>	<u>\$ 55,230,216</u>

On December 21, 2006, the School Board issued \$10,570,000 in COPS Series 2006D. The Series partially refunded COPS 2001C. The Series 2006D mature on October 1, 2021 and will pay interest ranging from 3.625% and 5.00%.

The total obligation under the series 2006D COPS is as follows:

Year Ending June 30	Principal	Interest	Total Requirements
2012	\$ -	\$ 509,981	\$ 509,981
2013	430,000	501,381	931,381
2014	105,000	490,878	595,878
2015	790,000	473,175	1,263,175
2016	50,000	456,438	506,438
Thereafter	9,110,000	2,065,000	11,175,000
Total	<u>\$ 10,485,000</u>	<u>\$ 4,496,853</u>	<u>\$ 14,981,853</u>

Combining Financial Statements

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Combining Statements of Financial Position
(By Benefit District and Administrative Activity)

June 30, 2010
(With Comparative Totals for June 30, 2009)

	East District	Northwest District	Southwest District	Administrative	2011 Total	2010 Total
Assets						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,652,790
Interest and dividends receivable	-	-	-	31	31	1,277
Due from Miami-Dade County	757,938	502,428	983,481	29,630	2,273,477	1,531,242
Total assets	<u>\$ 757,938</u>	<u>\$ 502,428</u>	<u>\$ 983,481</u>	<u>\$ 29,661</u>	<u>\$ 2,273,508</u>	<u>\$ 3,185,309</u>
Liabilities and fund balance						
Liabilities:						
Due to other funds	\$ 726,268	\$ 188,274	\$ 268,587	\$ 29,661	\$ 1,212,790	\$ -
Total liabilities	<u>726,268</u>	<u>188,274</u>	<u>268,587</u>	<u>29,661</u>	<u>1,212,790</u>	<u>-</u>
Fund balance:						
Restricted for:						
Capital projects	<u>31,670</u>	<u>314,154</u>	<u>714,894</u>	<u>-</u>	<u>1,060,718</u>	<u>3,185,309</u>
Total fund balance	<u>31,670</u>	<u>314,154</u>	<u>714,894</u>	<u>-</u>	<u>1,060,718</u>	<u>3,185,309</u>
Total liabilities and fund balance	<u>\$ 757,938</u>	<u>\$ 502,428</u>	<u>\$ 983,481</u>	<u>\$ 29,661</u>	<u>\$ 2,273,508</u>	<u>\$ 3,185,309</u>

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Combining Statements of Revenues, Expenditures and Changes in Fund Balance
(By Benefit District and Administrative Activity)

For the Year Ended June 30, 2010
(With Comparative Totals for the Year Ended June 30, 2009)

	East District	Northwest District	Southwest District	Administrative	2011 Total	2010 Total
Revenues:						
Impact fees	\$ 4,808,166	\$ 839,656	\$ 1,334,003	\$ 96,545	\$ 7,078,370	\$ 5,626,908
Investment income	281	312	75	112	780	3,459
Total revenues	<u>4,808,447</u>	<u>839,968</u>	<u>1,334,078</u>	<u>96,657</u>	<u>7,079,150</u>	<u>5,630,367</u>
Expenditures:						
Administrative	-	-	-	96,657	96,657	182,968
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,657</u>	<u>96,657</u>	<u>182,968</u>
Excess of revenues over expenditures	4,808,447	839,968	1,334,078	-	6,982,493	5,447,399
Other financing sources (uses):						
Operating transfers out - debt service fund	<u>(6,482,749)</u>	<u>(1,489,916)</u>	<u>(1,134,419)</u>	-	<u>(9,107,084)</u>	<u>(5,333,459)</u>
Total other financing sources and (uses)	<u>(6,482,749)</u>	<u>(1,489,916)</u>	<u>(1,134,419)</u>	-	<u>(9,107,084)</u>	<u>(5,333,459)</u>
Excess (deficiency) of revenues over expenditures and other financing (uses)	<u>(1,674,302)</u>	<u>(649,948)</u>	<u>199,659</u>	-	<u>(2,124,591)</u>	<u>113,940</u>
Beginning fund balance	<u>1,705,972</u>	<u>964,102</u>	<u>515,235</u>	-	<u>3,185,309</u>	<u>3,071,369</u>
Ending fund balance	<u>\$ 31,670</u>	<u>\$ 314,154</u>	<u>\$ 714,894</u>	<u>\$ -</u>	<u>\$ 1,060,718</u>	<u>\$ 3,185,309</u>

Required Supplementary Information

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Schedule of Construction in Progress and COPS Debt Service Commitments
(Annual Activity by Benefit District)

June 30, 2011

Project Name	Project Description	East District	Northwest District	Southwest District	Total
None	N / A	N/A	N/A	N/A	N/A
Total construction in progress		<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
COPS debt service commitments					
2001C COPS		\$ 1,613,136	\$ 352,289	\$ -	\$ 1,965,425
2004A COPS		46,981,037	16,164,635	38,639,972	101,785,644
2005A COPS		31,257,000	-	-	31,257,000
2006C COPS		49,194,511	-	6,035,705	55,230,216
2006D COPS		12,280,625	2,701,228	-	14,981,853
Total COPS debt service commitments		<u>\$ 141,326,309</u>	<u>\$ 19,218,152</u>	<u>\$ 44,675,677</u>	<u>\$ 205,220,138</u>



Report of Independent Certified Public Accountants on Internal Control over Financial
Reporting and on Compliance and Other Matters
Based on an Audit of Special-Purpose Financial Statements
Performed in Accordance With *Government Auditing Standards*

Chairperson and Members of
The School Board of Miami-Dade County, Florida

We have audited the special-purpose financial statements of the Educational Facilities Impact Fee Fund (the "Fund") of The School Board of Miami-Dade County, Florida (the "School Board") as of and for the year ended June 30, 2011, and have issued our report thereon dated October 13, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Controller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Fund's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fund's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fund's financial statements are free of material misstatements, we performed tests of its compliance with certain provisions of laws, regulations and contracts, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management in the attached Schedule of Comments and Recommendations.

This report is intended solely for the information and use of management, the Chairperson and Members of the School Board of Miami-Dade County, Florida, and Miami-Dade County, Florida, and is not intended to be and should not be used by anyone other than these specified parties.

C. Borders-Byrd, CPA LLC

Miami, Florida
October 13, 2011

The School Board of Miami-Dade County, Florida
Educational Facilities Impact Fee Fund

Schedule of Comments and Recommendations

June 30, 2011

Current Year Comments and Recommendations - None.

Prior Year Comments and Recommendations

Observation

The current Educational Facilities Impact Fee Ordinance (Impact Fees) was adopted in 1995 and recommended revisions to the Impact Fees methodology and increase in fees completed in January 2006 were not adopted by Miami-Dade County (County). While the proposed amendments to the impact fees were approved on first reading by the Board of County Commissioners (BCC) on February 20, 2007 and subsequently scheduled for a public hearing before the BCC Government, Operations & Environment (GOE) Committee on July 11, 2007, the item was tabled at the time and has not been rescheduled.

Management should continue its efforts to update the current impact fee structure.

Current Status

The District requested bids for the purpose of securing the services of a firm to conduct a review of the current impact fee ordinance, including methodology and fee structure; and to provide recommendations for update(s) or revisions. The firm of James Duncan & Associates, Inc. has been awarded the contract; the timeline for the update contemplates conclusion of data analysis by December 2011, and issuance of any recommended adjustments by mid-2012.