



**Board of County Commissioners**  
**Leon County, Florida**  
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**Agenda Item**  
**Executive Summary**

Thursday, March 26, 2009

<p><b>Title:</b> Consideration of the Office of Management and Budget's Review of the Leon County Educational Facilities Authority</p>
<p><b>Staff:</b> Parwez Alam, County Administrator Alan Rosenzweig, Assistant County Administrator</p> <p>Project Review Team: David C. Reid, Finance Director Scott Ross, Budget Manager Cristina M. Long, Senior Management and Budget Analyst</p>

**Issue Briefing:**  
During the June 10, 2008 meeting, the Board requested a management review of the Leon County Educational Facilities Authority (Authority) (Attachment #1). The Board directed staff to perform a comprehensive review of the Authority's structure, duties, and responsibilities. This item presents the findings of the review.

**Fiscal Impact:**  
This item has no fiscal impact to the County.

**Staff Recommendation:**  
Option #1: Accept staff's management review of the Leon County Educational Facilities Authority and approve the recommendations contained within the review.

**Background:**

During the June 10, 2008 meeting, the Board requested a management review of the Leon County Educational Facilities Authority (Authority). The Board directed staff to perform a comprehensive review of the Authority's structure, duties, and responsibilities.

During the December 9, 2008 meeting, the Board accepted a report by the County Attorney regarding the duties and composition of the Authority (Attachment #2). This item expands upon that report and presents the findings of the management review as directed by the Board during the June 10, 2008 meeting.

**Analysis:**

The management review identifies and evaluates the structure, duties, and responsibilities of the Authority. The review explores the organizational structure, duties and powers, projects, budget and finances, and community involvement of the Authority. The Clerk of Courts' Finance Division assisted the Office of Management and Budget (OMB) with the financial analysis of the Authority.

A summary of the recommendations discussed in the review are listed as follows:

- Require that the Authority coordinate with the Public Information Officer to include meetings on the County Calendar.
- Require the Authority to prepare an annual report, complete with operating and financial statements, and present it to the Board by March 1<sup>st</sup> of each year.
- Require the Authority to only request a TEFRA hearing from the Board once all financing for a project is in place, in accordance with the application and evaluation process.
- Require that the Authority not own or operate any educational facilities or dormitories beyond its current properties.
- In order to have another level of financial analysis, require the Authority to obtain an independent Financial Advisor, which is not affiliated with the County.
- Require that the authority provide updates to the Board on these contingency plans, as soon as they are available.
- Due to the large portion of tax exempt bonds that the Authority has the ability to issue, require the Authority to notify the Board of any projects receiving tax exempt bonds, even if a TEFRA hearing is not required for the project.
- Require that the Authority no longer use Southgate revenue to support scholarships due to the current financial status of the dormitory. If net assets associated with Heritage Grove continue to decline, the Authority should re-evaluate the on-going scholarship funding.
- Support the Authority's scholarship contributions to public institutions of higher education and require that funds for the scholarship continue to be derived solely from the Authority's fee revenue when this revenue is available.
- Require that the Authority ensure that all projects, exclusive of any scholarship funds, fulfill its statutory mission of providing educational opportunities, when there is a shortage, and assist institutions for higher education in the construction, financing, and refinancing of projects.
- Require that the Authority include a letter of support from an institution of higher education as part of the application process for potential educational facilities projects, thus allowing the Authority to document fulfilling its statutory purpose of assisting these institutions.

On February 24, 2009, staff presented the Authority with a copy of the management review. The Authority's comments are included within the Management Review document.

**Options:**

1. Accept staff's management review of the Leon County Educational Facilities Authority and approve the recommendations within the review.
2. Do not accept staff's management Review of the Leon County Educational Facilities Authority and do not

approve the recommendations contained within the review.  
3. Board Direction.

**Recommendation:**

Option #1.

Attachments:

- 1a. Office of Management and Budget: Management Review of the Leon County Educational Facilities Authority
- 1b. Associated attachments to Attachment #1a
2. December 9, 2008 Agenda Item: Leon County Educational Facilities Authorities

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