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# Office of the Inspector General

## Who We Are



The Miami-Dade County Office of the Inspector General (OIG) is proud to serve over 2.3 million citizens by providing oversight of their taxpayer dollars. Offices of Inspectors General are commonly known as “watchdog” agencies and are found in all levels of local, state, and federal government. The OIG has oversight of over 60 County departments, including Aviation, the Seaport, Transit, Housing, Community and Economic Development, Water and Sewer, Public Works, Planning and Zoning, Solid Waste Management, Human Services, Cultural Affairs, the Libraries, and the Miami-Dade Public Health Trust/Jackson Memorial Hospital.

The OIG serves with the goal of preventing misconduct and abuse among its public officials and its 30,000 County employees, as well as the contractors and vendors doing business with the County. Maintaining oversight of a local government with a budget of approximately \$7.5 billion, the OIG strives to promote honesty and efficiency in government to ensure that taxpayers get a fair and honest accounting of their money. Moreover, we seek to find appropriate remedies to recover the loss of public monies.

## What We Do



Through our oversight responsibilities, the Miami-Dade Inspector General has the specific authority to conduct investigations of County affairs and to review past, present and proposed County programs, accounts, records, contracts, and transactions.

The OIG investigates allegations of fraud, waste, abuse and misconduct involving public officials and County employees, as well as contractors and vendors doing business with the County.

We also have the power to report and recommend to County government whether particular programs, contracts or transactions are financially sound, reasonable, necessary or operationally deficient.

The OIG may conduct random audits and inspections. The OIG may also provide general oversight on departmental programs and construction projects. The Office offers guidance and assistance, and conducts numerous screenings of employees and contractors working in sensitive security areas.

In performing our mission, the OIG is empowered to require the production of documents and records by using its power to issue subpoenas, when proper and necessary. The OIG can also require reports from any County official, County agency or instrumentality regarding any matter within its jurisdiction.

## Where We Are

Located in the heart of downtown Miami, our main office is on the second floor of the Biscayne Building at 19 W. Flagler Street, Suite 220. We are located separately from the main County administration building, the Stephen P. Clark Center, yet





we are close enough to carry out our duties among the various County offices and departments. To better facilitate oversight of County resources, we also have satellite branch offices at the Miami International Airport, the Port of Miami , Housing, Water & Sewer, and the Miami-Dade Public Health Trust/Jackson Memorial Hospital. Our newest satellite office addition is at Miami-Dade County Public Schools.

### **When and Why It All Began**

More than eleven years ago, the citizens of Miami-Dade County called for clean government, after being outraged by a series of corruption events. In response to the public's demand, the Miami-Dade County Board of County Commissioners (BCC) created the OIG in December 1997. The OIG was created through the enactment of Section 2-1076 of the Code of Miami-Dade County, our enabling authority. It empowered the OIG to investigate and review allegations of waste, fraud, abuse and mismanagement in County government.



The BCC determined that the oversight of such a large and diverse County government required that the OIG be independent and autonomous. To effectively uphold this mandate, the OIG was vested by the BCC with independent status so that its goals could be carried out without political interference. Miami-Dade County has one of the few inspectors general in the country with the jurisdiction to investigate officials at any level, including elected officials.

In March of 2005, the BCC voted unanimously on an amendment to give the OIG greater autonomy and independence by revamping the selection and removal process of the Inspector General (IG) and by affording the IG with a four year renewable contract. Unlike some situations where the IG is chosen by the same elected officials who could become subjects of an investigation, Miami-Dade's future IGs will be selected by an independent five member panel that includes the president of the Miami-Dade Police Chiefs' Association, the Public Defender for the 11th Judicial Court for Miami-Dade County, the Miami-Dade State Attorney, the Ethics Commission chairperson, and the local head of the Florida Department of Law Enforcement. Our incumbent Inspector General, Christopher Mazzella, was retained in 2005 with the approval of a four-year contract.

### **How We Accomplish It**

The Office is led by the Inspector General. He is assisted by the Deputy Inspector General and the Assistant Inspector General, who also serves as the OIG's Legal Counsel.



The Office is committed to recruiting a diverse team of qualified employees that reflect the makeup of Miami-Dade County. Our team consists of highly skilled professionals from various disciplines and backgrounds that include attorneys, certified public accountants, certified fraud examiners, former law enforcement officials, investigators, financial analysts, engineers, and forensic accountants. Additionally, our staff

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has specialities in the fields of construction, information technology, investigative databases, and government procurement.

The Office is divided into four operational units that work together to fulfill the OIG's primary mission of County oversight. These four units are: Investigations, Audit, Legal, and Administration.

## The Investigations Unit

A diverse group of special agents comprise the Investigations Unit. The staff is represented by various investigative backgrounds and disciplines whose experience runs from traditional law enforcement to state regulatory backgrounds.



The Unit is supported by Investigative Analysts who maintain compliance in the usage of specialized investigative databases that are instrumental in furthering the objectives and function of the Unit.

## The Audit Unit



The Audit Unit consists of an Audit Supervisor and five auditors that are certified public accountants, internal auditors, and fraud examiners. Additionally, the Unit is supplemented with two contract oversight specialists with professional expertise in governmental budgets and finance, and engineering.

The Audit Unit recognizes that it is different in size, resources, and mission from other County audit departments, and thus concentrates its resources on distinct aspects of County contracts and projects. The Unit serves the OIG's mission by providing procurement oversight and by participating in reviews, studies and evaluations, in addition to conducting specialized audits on County contracts and projects. The Unit also assists the Investigations Unit with cases requiring investigative accounting.

## The Legal Unit

Legal counsel is provided to the Inspector General by the Legal Unit. OIG attorneys work closely with the Investigations Unit in assessing the strengths and weaknesses of any investigation with potential civil, administrative or criminal implications. The Unit also reviews County contracts to assess contractual rights and liabilities, as well as the efficiency and cost effectiveness of these contracts. From time to time, OIG attorneys also assist with the office's procurement and contracting oversight responsibilities.



The Unit reviews proposed ordinances and resolutions to provide the Inspector General with independent legal assessments of the potential or possible impact of legislative items.

The Legal Unit reviews all subpoenas to be issued by the Inspector General. OIG attorneys are charged with making sure that the Office complies with its “advance notice” responsibilities in the areas of subpoena issuance and final report distribution.

All public reports issued by the OIG are reviewed by the Legal Unit to ensure legal sufficiency and work product integrity. OIG attorneys also respond to public records requests and handle any litigation involving the Office.

### **The Administrative Unit**

Unit members handle the day-to-day administrative functions required of any office, as well as supporting the OIG’s oversight mission through the preparation and dissemination of our public reports, maintenance and updating of information on our independent website, the tracking and referral of complaints, and the design and distribution of OIG posters, flyers, and the annual report.





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## Your Questions Answered

by Inspector General Christopher Mazzella

**What should a citizen do if they know about possible fraud or corruption involving the County?** In our efforts to promote honesty and efficiency in government and to restore and promote the public's trust in county government, the Office established a convenient program to report acts of fraud, waste, and abuse.

The public is urged to immediately report any suspected instance of fraud or corruption. Fraud can be conveniently reported in several different ways. Written complaints can be faxed to us at (305) 579-2656 or mailed to us at 19 West Flagler Street, Suite 220, Miami, Florida 33130. We also have a dedicated hotline number, which is (305) 579-2593. Fraud can also be reported online by visiting our website at [www.miamidadeig.org](http://www.miamidadeig.org). Click on the link: REPORT FRAUD.

When reporting fraud, waste, abuse of power, or mismanagement, you may remain anonymous if you wish. However, we do encourage that you identify yourself so that we may follow up on your complaint if we need additional information that may be helpful to our review of the matter. If you provide your name, you may request that your identity be protected. In addition, there are certain provisions under the Code of Miami-Dade County and Florida law that protects its employees, or independent vendors or contractors who are engaged in business with the County or School District and who have entered into a contract with the County or School District, from retaliation under certain circumstances. If you believe that making a report to the OIG will place you at risk of retaliation, you should inform the OIG of this concern.

The fraud reporting program is critical to our efforts to combat fraud, as complaints provide the ability to generate fraud leads from county sources. Investigations are initiated upon the receipt of credible information alleging an act of fraud, waste, financial mismanagement or corruption that falls within the OIG's jurisdiction.



**How many tips and complaints does the OIG receive each year?** We received 539 fraud complaints from the community through letters and faxes, the OIG website, and our hotlines during Fiscal Year (FY) 2007-08. The majority of the complaints, 46%, were referred to another county department or other government agency that could directly address the concerns of the complainant.

However, 15% led to the initiation of a case, audit, or inquiry, or were related to an existing case; 29% warranted no additional action; 4% were provided with help or

information that resolved their complaint, and 6% are still pending a disposition. Included in these results were the complaints received through our Hotline at Miami-Dade Housing; these accounted for almost 9% of our total complaints.

**Is the expense of having an IG Office cost effective?** Yes, and our importance extends beyond just the financial considerations. The impact of maintaining transparency and trust in local county government is invaluable. I believe we must continue to stay vigilant to ensure that, in the final analysis, our taxpayers get a fair and honest accounting of their funds. We are a productive and cost-efficient office, and I'm proud to be in the position of consistently saving considerable amounts of taxpayer dollars. The ultimate goal of the office is to prevent misconduct and abuse and to seek appropriate remedies to recover public monies.

Three separate sources fund the OIG's budget. An IG proprietary contract fee is assessed on the majority of county contracts. Direct payments are collected through memorandums of understanding contracted with various county departments where we maintain a dedicated oversight presence. And just 20% of our 2007-08 budget was derived from County General Funds, which was primarily utilized for the expansion of staff, physical office space, and equipment. In addition, the courts often award the OIG reimbursement for the costs of investigations at the conclusion of criminal prosecutions, through trials or by plea agreements.

**How much money have you saved the County?**

Since the office's inception in 1998, the OIG has identified over \$123.9 million dollars in questionable costs, losses, damages and lost revenues. Over \$68.7 million in future savings, prevented losses and restitution have been achieved for the County. During FY2007-08, we identified almost \$33.3 million dollars in questionable costs, losses, damages, and lost revenues. Over \$15.2 million in future savings, prevented losses, and restitution were achieved for the County this past year.



**What's your philosophy on fighting corruption?** My philosophy is that we're trying to create an atmosphere of credibility within government. We work closely with public officials, whether commissioners or high-level administrators, and we try to include them in what we're doing when we can. We don't run around behind a cloak of secrecy. The whole idea is to make government more transparent, and most public officials want the same thing.

The vast majority of county officials, employees, vendors and contractors are honest, hard-working and beyond reproach. Nevertheless, we must continue to stay vigilant to ensure that all county departments, agencies, instrumentalities, and their programs are free from fraud, corruption, waste, and abuse.

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## Meet the Executive Team

### Christopher R. Mazzella



In September 1998, Christopher Mazzella became the first Inspector General appointed by Miami-Dade County. He accepted the position upon retiring from a distinguished thirty-four year career with the FBI. Since becoming operational in the fall of 1998, the OIG has investigated officials involved in bribery, official misconduct, fraud, and election law violations. Mr. Mazzella earned the designation of Certified Inspector General by the National Association of Inspectors General.

The Inspector General has participated on a number of task forces aimed at restoring integrity and ethics in county government. For instance, Mr. Mazzella's participation on the Debarment Task Force played an important role in the adoption of legislation that strengthened the County's debarment policy to exclude dishonest contractors. He also participated on committees studying procurement and lobbying reforms, and often lectures to various professional organizations regarding the types of fraud cases investigated by his office.

During his career with the FBI, Mr. Mazzella investigated and supervised complex organized crime and public corruption cases. In a famous organized crime investigation code-named "Operation Gangplank", the leadership of the Philadelphia organized crime family was dismantled. Mr. Mazzella was also responsible for a number of prominent public corruption prosecutions in South Florida.

Mr. Mazzella also held a number of executive level positions at the FBI. He was Legal Counsel for two field offices. While assigned to the Office of Legal Counsel in Washington, D.C., Mr. Mazzella conducted liaison activities with Congress and was instrumental in drafting legislation expanding the jurisdiction of the FBI. He served as the Organized Crime Drug Enforcement Task Force Coordinator for the Florida Caribbean Region. In that capacity, he coordinated the FBI's drug programs and investigations in the Florida Caribbean region, involving over 200 federal, state and local law enforcement personnel, and helped secure millions of dollars in federal funding for local law enforcement initiatives and personnel.

Mr. Mazzella holds a Juris Doctor and Master of Arts degree and is a member of the Florida, New Jersey, and Missouri Bar Associations.



**Alan Solowitz**

The Deputy Inspector General has been with the office since its inception in 1998, and is primarily charged with heading the Investigations Unit. He has received the designation of Certified Inspector General by the National Association of Inspectors General. Prior to joining the OIG, Mr. Solowitz was a Law Enforcement Investigator with the Florida Division of Insurance Fraud, a Senior Investigator with the State of Florida Medicaid Fraud Control Unit, and was a police officer with the City of Miami Beach Police Department for 28 years. There he held the positions of Assistant Chief of Police, Chief of Investigations and SWAT Commander.

His extensive investigative background includes organized insurance fraud, health care fraud, corporate fraud, organized crime, money laundering, narcotics, and violent criminal and racketeering investigations. Mr. Solowitz is a graduate of the FBI National Academy and the Institute on Organized Crime. He is a member of the American Institute for Industrial Security and is also a Certified Fraud Examiner. Mr. Solowitz recently served on the Board of Directors of the National Association of Inspectors General.

**Patra Liu**

As Assistant Inspector General and Legal Counsel for the office, Ms. Liu manages and supervises the legal, audit and administrative units. As the chief legal advisor to the Inspector General, she provides independent legal advice on both procedural and substantive matters and monitors proposed legislation, advising the Inspector General of any potential implications for the office. Ms. Liu is responsible for the filing of administrative debarment actions, ethics complaints, enforcing subpoenas, and defending the OIG in civil actions. She reviews all subpoenas and reports issued by the office, coordinates the contract and project oversight assignments of the Audit Unit, and supervises administrative operations of the office, including the office's finances and its annual budget. Ms. Liu joined the Miami-Dade OIG in March 2000 and took on the additional responsibilities of Assistant Inspector General in February 2002.

Ms. Liu was previously with the Miami-Dade State Attorney's Office in the Economic Crimes Unit, prosecuting numerous criminal cases involving health care fraud, insurance fraud, embezzlement, money laundering, and various schemes to defraud. Directly before joining the OIG, she was a Florida Assistant Attorney General in the State's Medicaid Fraud Control Unit serving as the Miami Bureau's in-house legal advisor. She coordinated legal action with federal prosecutors; prepared and negotiated civil settlements; and handled civil cases involving the False Claims Act, the State's civil theft statute, applications for other injunctive relief involving the proceeds of Medicaid fraud, and forfeiture actions. Ms. Liu has also earned the designation of Certified Inspector General by the National Association of Inspectors General (AIG). She currently sits on the AIG's Executive Committee and is a member of the AIG's Ethics and Training committees.

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## Staff Professional Development

The Office recruits staff from among the most experienced and highly skilled professionals in their fields. Even so, we have made a commitment to invest resources in sending our staff for specialized training and certifications, as we believe that continuing education, advanced training, and technology are a prerequisite for successful operations.

The OIG executive team have all earned the National Association of Inspectors General Certified Inspector General designation, and several of our special agents are Certified IG Investigators. This year our supervisory special agent for audits and three auditors attended classes at the AIG's Certified IG Auditor (CIGA) Institute. Upon passing the institute's exam, our auditors earned the designation of CIGA.



This year OIG staff attended training taught by such organizations as the Financial Institution Security Association (FISA), the FBI Citizens Academy, the Florida Bar, the U.S. Department of Homeland Security, the National Telecommunications and Information Administration, and the Association of Certified Fraud Examiners. Specialized courses have covered diverse topics such as counterfeit documents, exploitation of the elderly, international theft groups, ATM and debit card skimming, medicaid fraud, internal risk management controls, workers' compensation regulations, construction fraud, procurement, financial forensics, campaign finance law, public corruption, accounting and auditing, and internet-based technologies.

## Lectures and Other Speaking Engagements

In August 2008, one of our special agents taught a course on Multi-Jurisdictional Investigations at American University in Washington, D.C., for the Certified Inspectors General Investigator Institute. The course focused on the highlights of an OIG investigation that required international extradition from Hungary back to Miami of a county public official.

The Inspector General is often asked to participate in a number of community events to provide information or speak on issues explaining and educating the public on the Office's functions. In October 2008, the Inspector General and Deputy Inspector General were commentators, along with other anti-corruption agency heads, at the National Watchdog Conference. Other recent events include the University of Miami School of Law's fall reception in September for the Center for Ethics & Public Service, the Miami Lakes Rotary Club in March, the Miami-Dade American Society of Civil Engineers in April 2008, and the Miami Lakes Chamber of Commerce.

Our Assistant Inspector General/Legal Counsel served on a panel of experts discussing the Rule of Law in May 2008 for a visiting delegation from Asia invited by the U.S. Department of State. She was also a panelist for the Ethics and

Accountability in Public Procurement Conference hosted by Florida Atlantic University's Public Procurement Research Center in March 2008.

One of our Assistant Legal Counsels was a panelist in April 2008 at a University of Miami School of Business conference sponsored by the American Society of Public Administration.



## **International Visitors**

### **Miami Council for International Visitors**

As the official South Florida host for the U.S. Department of State International Visitors Leadership Program, the Miami Council for International Visitors sponsored four programs this year that included a stop for the foreign delegates at the OIG for a tour and presentation. In October 2008, the OIG presented its mission, general practices, and history to more than twenty dignitaries from five continents who were participating in a program to examine *U.S. Judicial Systems*.

The OIG hosted a presentation this year for three other international visitors programs: to prosecutors and lawyers from Brazil on *Combating Terrorist Financing and Money Laundering* in February, to lawyers and law enforcement dignitaries from Croatia on *Money Laundering and White Collar Crime* in April, and to prosecutors and investigators from Afghanistan on *Judicial Reform* in May.

## **Affiliations with Other Agencies**

### **AIG Partnership**

The Association of Inspectors General (AIG) seeks to foster and promote integrity and public accountability in the general areas of prevention, examination, investigation, audit, detection, elimination, and prosecution of fraud, waste and abuse. Members are comprised of Inspectors General and professional agency staff, as well as other officials responsible for inspection and oversight with respect to public, not-for-profit, and independent private sector organizations. Now with almost 600 members, its mission is strengthened through policy research and analysis; standardization of practices, policies, conduct and ethics; encouragement of professional development by providing and sponsoring educational programs; and the establishment of professional qualifications, certifications, and licensing.

The AIG is governed by a board of directors from which officers and an executive committee are drawn. Since joining in 1999, the Miami-Dade Office of the Inspector General has taken an active leadership role in this organization. Our Assistant Inspector General/Legal Counsel has been on the AIG's Board of Directors since 2005 and was recently re-elected by her peers in 2008 to another two-year term. As a Board Member, she also holds an at-large position on the Board's Executive Committee. Our Deputy Inspector General also served on the AIG's Board of Directors from 2004-2008.

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## ACFE's Law Enforcement Partnership

As a new partner with the Association of Certified Fraud Examiners (ACFE), we are proud to be included among the other local, state, federal and private organizations working together with the ACFE to detect and deter fraudulent activities. Our staff members routinely undergo ACFE professional training and enhance their professional credentials through the inclusion of the CFE designation.

## State of Ohio Office of the Inspector General Partnership

Our office is proud to have contributed to a major State of Ohio Task Force investigation spearheaded by the Ohio Office of the Inspector General involving a massive investment scandal. The Ohio Bureau of Workers Compensation was found to have invested hundreds of millions of dollars in high risk and unconventional investments, including rare coin funds, run by individuals closely connected to the Ohio Republican Party who made large campaign contributions to many senior Republican Party officials. Further investigation revealed that coins worth \$10-\$12 million were missing, and that only \$13 million of the original \$50 million investment could be accounted for. In addition, it was discovered that more than \$215 million was missing from hedge fund investments. Substantial illegal proceeds were diverted to South Florida interests. Our office received a commendation for invaluable contributions, recognized as key components to the many successes in this historic investigation.

## What's New at the Seaport

In 2008, the OIG believes that its most significant achievements were made at the County's two economic engines—the Port of Miami and Miami International Airport.



OIG activities at the Port of Miami were focused on negotiations affecting the Port's three terminal operator land leases. The OIG provided general oversight to the negotiations, while also reviewing significant lease terms and identifying arrearages and underpayments. Our identification and reporting on arrearages and underpayments resulted in significant financial recovery of over \$1 million to the Port.

- In the matter of Seaboard Marine Ltd., the OIG identified that the Port was owed an additional \$807,005, of which Seaboard paid \$500,000 as settlement for the dispute.
- In the matter of Maersk Inc., the OIG identified that unauthorized credits and other underpayments totaled \$1,023,881. The approval of the successor agreement only required Maersk to pay \$133,267 to settle all disputes.





- The OIG identified \$1,172,494 in underpayments by the Port of Miami Terminal Operating Company (POMTOC), primarily in connection with lease and sub-leased areas. POMTOC recently paid the Port \$400,391.

### What's New at the Airport

### WHAT'S NEW AT THE AIRPORT

The OIG issued five substantial reports in 2008 that focused on activities at the Miami International Airport (MIA). Two of the reports concerned losses of revenue to the airport by companies providing security services. Three reports detailed disabled parking permit abuses leading to arrests.

- An OIG investigation concluded that several private security services providers, holding county-issued permits to conduct business at the airport, substantially underreported their revenues in an effort to avoid paying the 7% permit fee due to the County. In one year alone, these companies failed to report revenues of over \$2.2 million, resulting in permit fee losses of over a quarter of a million dollars to the County. The OIG recommended that action be taken to recoup the additional fees owed to the County; that Miami-Dade Aviation Department enforce the issuance and timely renewal of permits; and that a system be put in place to identify and monitor permittees, and to ensure accurate reporting of gross revenues from security-related service activities.
- An OIG investigation into disabled parking permit abuses resulted in the arrests of two individuals who worked at the airport. The investigation identified that over 225 airport workers regularly used disabled parking placards to park for free, abusing a county ordinance that provides free parking in public parking facilities to the disabled. Upwards of 50% of the designated disabled parking spaces at MIA were being taken by individuals who should have been parking in the airport employee off-site parking lot. In addition to inconveniencing disabled patrons of the airport, these employees were cheating the County of over a \$1 million a year in waived parking fees.

### What's New at the M-DCPS IG Office

The new IG office at Miami-Dade County Public Schools (M-DCPS) received 89 complaints during this fiscal year. The hotline received 18 calls, 37 complaints were made online via the OIG website, and 34 written complaints were received. Of these complaints: 1 was referred to an appropriate agency; 23 warranted further inquiry, an audit or an investigation; 4 related to an existing case or complaint; 33 were found to warrant no action; and 22 are still pending a disposition.

The OIG will be publishing an annual report for our M-DCPS activities shortly after the close of the fiscal year in July 2009. Look for it on our website at [www.miamidadeig.org](http://www.miamidadeig.org).





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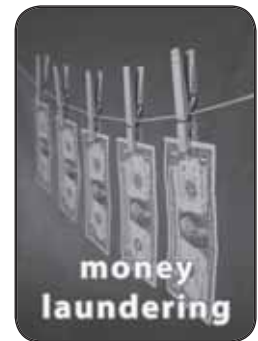
## **Criminal Investigations — Arrests, Convictions and Guilty Verdicts**

Over its eleven-year history, the OIG has built a strong record of successful criminal prosecutions. There have been 184 arrests and 11 companies indicted due to OIG investigations since the office was opened. During FY 2007-08, OIG investigations have resulted in 4 arrests being made. Of the arrests made this year, individuals were charged with various crimes that cost the county thousands of dollars. Arrest charges included Falsely Obtaining a State of Florida Disabled Parking Permit, Grand Theft, Organized Scheme to Defraud, Unlawful Compensation or Reward for Official Behavior, Criminal Action under Color of Law or Through Use of Simulated Legal Process, Official Misconduct, False or Fraudulent Acknowledgments, Notary Fraud, and Unlicensed Practice of Law.



## **Conviction of WASD Supervisor Provides Million Dollar Recovery for County**

The County has made full recovery of one million dollars after prosecutions resulting from an OIG investigation. The investigation revealed that from September 2003 through August 2006, a former county employee embezzled one million dollars from the County's Water and Sewer Department (WASD).



The employee, a former supervisor in charge of WASD's mailroom, diverted 20 WASD checks for \$50,000 each, then made fraudulent deposits into a U.S. Postal Service account in the name of a company owned by his accomplice. The employee and his accomplice then laundered the stolen proceeds to conceal the employee's involvement and his personal use of WASD funds, including cash outlays to himself and his friends, and the purchase of a 2006 BMW 530i and a 2005 Honda Accord.

The employee pled guilty in March 2008 and is serving a ten-year prison sentence. The accomplice earlier pled guilty and cooperated in the case. Both defendants must pay restitution to the County. In addition, monies were recovered from the phony bank accounts and forfeited back to the County. The balance of the restitution—over \$600,000—has been recovered by WASD through an insurance claim based upon the guilty plea agreements, resulting in a full recovery of the County's stolen funds.



## **Jury Finds Former State Representative Nilo Juri Guilty in Campaign Finance Scheme**

The fourth criminal prosecution resulting from a joint investigation by the OIG, the Miami-Dade State Attorney's Office, and the Florida Department of Law Enforcement into the theft of the County's Election Campaign Financing Trust Fund (Trust Fund) monies

concluded with the sentencing of former state representative Nilo Juri to four years in prison after a jury found him guilty in November 2008. Juri was charged with Indirect Contributions to the Jorge Roque Campaign for County Commission District 13 in 2004. These contributions allowed the Roque campaign to meet the eligibility requirements to receive \$75,000 from the Trust Fund. Juri was also convicted of Solicitation to Commit Perjury, and Indirect and Excessive Contributions to the 2003 Hialeah City Council campaigns of Adriana Narvaez, Vanessa Bravo, and Cindy Miel.

The investigation began before the 2004 election, when the OIG was alerted to irregularities in the Roque campaign's contributors list submitted to obtain Trust Fund monies. To date, Rita Picazo (Roque's sister-in-law), Bravo, Roque, and Juri have been charged, convicted, and sentenced for their part in the scheme to obtain Trust Fund monies.

### **Jury Convicts Con-Artist for Stealing Homes**

A con-artist who was the subject of an investigation by the OIG, that was conducted with the assistance of the Miami-Dade Police Department's Elderly Exploitation Unit and the Miami-Dade State Attorney's Office (SAO), was sentenced to 20 years of imprisonment. As a special condition of his sentence he was ordered to pay over \$300,000 in restitution to the victims, and costs of investigation and prosecution to the OIG and SAO, respectively.



The individual and his accomplice used forged quit claim and warranty deeds, filed at the Miami-Dade County Clerk of the Courts, to obtain title to the homes before selling the properties and pocketing the proceeds of the sales. Both defendants not only personally profited from their criminal acts, but left family members and the innocent buyers in their wake to deal with the legality of clearing the title to the properties.

The accomplice, who pled guilty in November 2007 and cooperated with prosecutors, was sentenced in October 2008 to three years of imprisonment pursuant to her cooperation agreement.



### **Real Estate Developer Convicted in Housing Scandal**

An investigation by the OIG and the Miami-Dade State Attorney's Office into the misappropriation of Miami-Dade Housing Agency (MDHA) funds culminated in the guilty plea by real estate developer Reynaldo Diaz, in June 2008, to charges of devising an Organized Scheme to Defraud. Diaz admitted that through his company, Infill Development Group, he obtained \$940,000 in MDHA funds to provide 28 homes for sale to low and moderate income families, but built only two houses. Diaz, who is cooperating with the investigation pending sentencing, has repaid the \$940,000 to the County.

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## **Federal Employee Guilty of Disabled Parking Scam at Airport**

An investigation by the OIG into workers at Miami International Airport (MIA) abusing a county ordinance that provides free parking in public parking facilities to the disabled resulted in the conviction of a former employee of the Transportation Security Administration (TSA) for Cheating, Grand Theft, and Falsely Obtaining a State of Florida Disabled Parking Permit. A second TSA employee was also charged with the same offenses.

The OIG investigation revealed that the TSA employees utilized fraudulently obtained disabled parking permits to waive over \$3,000 in parking fees that would have been payable to the County. In addition to inconveniencing disabled patrons of MIA by parking in their designated spaces, the employees were cheating the County out of parking revenues by presenting a disabled parking permit upon exiting the airport garage to have their parking fees waived.



In connection with the investigation, the OIG also issued a report that indicated a large number of the disabled parking spaces reserved for the traveling public were frequently occupied by airport workers and other employees who appeared to be able-bodied, and had parking provided to them at other locations. The investigation began at the request of Miami-Dade Aviation Department (MDAD) officials who became suspicious of airport workers occupying public disabled parking spaces. The investigation is continuing.



## **Ex-DSWM Employees Sentenced for Overtime Fraud**

An OIG investigation into the falsification of overtime hours by two Department of Solid Waste Management (DSWM) shop employees closed with the successful prosecution of both employees, who were sentenced in February 2008 to five years probation on charges of Official Misconduct and Organized Scheme to Defraud.

The scheme, as uncovered by OIG investigators, involved tampering with the time-clock and altering time cards at DSWM's North Dade Landfill Maintenance Shop. The employees caused false overtime hours to be recorded on their official payroll attendance records for work they did not perform, resulting in overpayments totaling over \$4,000. As part of their sentences, they were required to pay restitution to the County for the false wages.

## **MDT Employee Arrested for Misappropriating Hispanic Transit Society Funds**

A Miami-Dade Transit employee was arrested and charged with Grand Theft and Organized Scheme to Defraud in April 2008, in connection with the OIG and Miami-Dade State Attorney's Office joint investigation into the misappropriation of funds deducted from participating employees' payroll for the Hispanic Transit Society, Inc. (HTS), an association for County Transit employees of Hispanic



personal benefit.

heritage and others. The employee, formerly president of the HTS from October 2000 through June 2006, used electronic transfers, debit card withdrawals and ATM transactions to divert approximately \$102,780 of HTS funds for his own personal use. An avid golfer, he made many purchases of golf equipment and paid for numerous rounds of golf. Additionally, he paid for personal and family expenses such as automobile insurance, SunPass accounts, family cruises, residential alarm services, and automotive parts from the HTS funds. The employee was not authorized by the HTS Board or its members to use county employees' dues for his

### **Clerk of Courts Employee Arrested for “Self-Help” Fraud**

The OIG conducted an investigation with the Miami-Dade State Attorney's Office that led to the arrest and criminal sentence of a 16-year employee of the Miami-Dade County Clerk of the Courts for the Eleventh Judicial Circuit on 27 felony counts, including charges of Unlawful Compensation, Official Misconduct, Notary Fraud and the Unlicensed Practice of Law, to which she has pled guilty.

The investigation discovered that the employee, who held the position of Courtroom Clerk I, was running a “quickie divorce” scheme to make extra money on the side. Her scheme involved falsifying and fraudulently notarizing documents, as well as using her access and friends at the Miami-Dade County Courts, to expedite divorce proceedings under the Court's Self-Help program. The program provides unrepresented individuals with the necessary form pleadings to obtain a divorce and reviews the forms for completeness. She routinely charged applicants \$670—of which she used \$364 to pay the required filing fee—and kept the remainder. Unknowingly relying on falsely sworn pleadings, judges ordered the final dissolution of marriages. Some of the parties, believing they were divorced, had entered into new marriages.

### **Former Employees Sentenced for Defrauding the Tuition Reimbursement Program**

In March 2006, the OIG began a probe into the County's Tuition Reimbursement Program (Program) due to possible employee misconduct in not reporting grants, as required by Program rules. In addition to hundreds of referrals made to the County's Human Resources Department where we identified overpayments, the OIG investigation also resulted in five county employees being charged with submitting physically altered documents (falsified grades to show grades of a “C” or higher) in order to qualify for Program reimbursement. By March 2008, all five criminal cases were closed after the employees entered guilty pleas and were sentenced to probationary terms, which included restitution to the County. The public funds stolen by these five county employees exceeded \$30,000.





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Collectively, the investigation revealed over \$400,000 in tuition refund overpayments that the OIG reported to the County Manager's Office for appropriate action.

## **Prominent Developer Dennis Stackhouse Convicted of Campaign Conduit-Financing Violations**



A joint investigation by the OIG and the Miami-Dade State Attorney's Office, that resulted in the arrest of Poinciana Biopharmaceutical Park developer Dennis Stackhouse, concluded with his conviction after he entered a no contest plea in December 2008. Stackhouse was charged, as were several companies controlled by him, with multiple felony violations of campaign financing laws. Stackhouse also pleaded no contest on behalf of his companies. A hearing will take place to determine the costs of investigation to be awarded to the OIG, which were substantial.

The investigation revealed that Stackhouse reimbursed two of his employees to hide several contributions to the election campaigns of several candidates. Stackhouse reimbursed the employees through checks drawn on several of the Florida companies he controlled. Stackhouse and his companies had already made donations to the campaigns when they sought to make the additional illegal donations and provided the reimbursement to the two employees.

## **MMAP Grant Recipient Arrested for \$175,000 Organized Scheme to Defraud**

An individual who received \$175,000 in grant funds from the Metro-Miami Action Plan (MMAP) was arrested and charged with a Scheme to Defraud as the result of a 2008 OIG investigation conducted in conjunction with the Miami-Dade State Attorney's Office. The MMAP funds, which were specifically targeted to foster economic development in the Overtown area, were obtained by the individual after he falsely represented that he was a franchise owner of a Subway restaurant with authority to expand the national franchise into Overtown. Instead, as OIG investigators discovered, the individual used over \$132,000 of MMAP funds for personal purposes, including payments to himself and for his personal debts, the purchase of land in Colorado, and contributions to several local political campaigns. The OIG's investigation into the use of the remaining MMAP funds is continuing.





## Audits, Reviews, and Contract Oversight

Here is a summary of our most significant activities during the year:

### **OIG Criticizes Proposed Write-off of \$13 Million Owed to the Housing Assistance Loan Trust Fund**

As a continuing effort in the OIG's oversight of Miami-Dade Housing Agency (MDHA) matters, certain aspects of the County's use of Documentary Stamp Surtax funds were reviewed. Our main focus was examining the justifications cited to absolve MDHA from its liability to pay back approximately \$13 million to the Housing Assistance Loan Trust Fund (Trust Fund). This review sprang from a provision in the legal settlement between the County and the U.S. Department of Housing and Urban Development (HUD) to resolve federal litigation relating to HUD's takeover of the County's Housing Agency. At the time of the federal takeover, MDHA "owed" the Trust Fund approximately \$13 million for funds it had borrowed to cover budgetary shortfalls over the past several years. In other words, MDHA raided the County's Trust Fund to cover its deficits.



As part of the settlement, the County agreed it would hand over a "debt-free" housing agency by removing MDHA's Trust Fund liabilities. In recommending this legal settlement, the administration maintained that the loans were always meant to be "forgivable loans" and that the Trust Fund money was never intended to be repaid. Based on our review, the OIG reached the opposite conclusion—that the approval of the settlement agreement itself did not, by operation, authorize the wiping out of \$13 million in bad debt. We concluded that it was the County's responsibility—if no longer MDHA's responsibility—to repay \$13 million to the Trust Fund. The express language of the State statute prohibits using the Trust Fund monies as "grants," therefore, it is inconceivable that these loans could have been intended as "forgivable loans." The accounting treatment of these loans on the Fund's general ledger was accompanied by MDHA repayment schedules, thus refuting any inference that these loans were always meant to be forgivable.

Through the OIG's persistent efforts and repeated calls by Commissioners for a more exact accounting of MDHA's fund usage, the debt to the Trust Fund will be repaid. Such action is required to ensure the government's proper administration of taxes levied on its citizens, especially surtaxes, which are levied for special and specific purposes.

### **OIG Identifies \$3 Million in Arrearages; Port of Miami Recoups \$1 Million**

Significant OIG oversight was devoted to the Port of Miami's (Port) cargo terminal operator land lease negotiations during the first half of 2008. In 2007, the Seaport director requested our oversight, as complex and long-term contract renewal negotiations with the three cargo terminal operators at the Port were beginning. The OIG was to review the proposed lease amendments, provide independent monitoring of the lease negotiations, and ensure transparency in the contracting

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process. The Seaport director wanted to ensure that the negotiation terms were fair to all parties and that the playing field was level.



The OIG provided general oversight to the negotiations, reviewing significant lease terms for comparability to other operators, and reviewed the fiscal impact to the Seaport and the community. The OIG uncovered arrearages and underpayments that remained unresolved—in some cases for up to 15 years. OIG diligence in uncovering and reporting on the arrearages and underpayments resulted in significant financial recovery of over \$1 million to the Port.

- The OIG identified that Seaboard Marine, Ltd. owed the Port \$807,500. Seaboard paid \$500,000 as a settlement for the dispute.
- The OIG identified unauthorized credits and outstanding payments to Maersk, Inc. that totaled \$1,023,881. The OIG strongly recommended that Maersk repay them as a condition of the lease modifications; however, the approval of the successor agreement only required that Maersk pay \$133,267 to settle all disputes.
- The Port of Miami Terminal Operating Company (POMTOC) was identified by the OIG as owing \$1,172,494 in underpayments and erroneous invoices, which were primarily in connection with leased and sub-leased areas. POMTOC recently paid the Port \$400,391 toward the sub-leased portion identified by the OIG. We will be following-up on the status of the remaining outstanding amount.

As it related to the dynamics and complexity of the simultaneous negotiations, the independence and visibility of the OIG during negotiations with the operators provided an assurance of fair and equitable negotiations across all the contracts.

Negotiations were completed in 2008 for two of the three terminal operators (Seaboard and Terminal Link–Miami, the successor to Maersk). Although the resulting contracts may have varied in provisions important to the individual operators, the OIG was advised by all parties that our presence contributed to a level playing field without unnecessary disadvantages or undue external influences. Renewal negotiations with the third operator, POMTOC, were suspended because six years remain on the contract. Nevertheless, the OIG stands ready to continue observation of that process to ensure that fair and equitable negotiations are conducted.

## **OIG Requires Fairness in New Contract Process for Airport Baggage Wrapping Services**

The OIG strongly believes that, as with all public contracts, opportunities for participation must be maximized. In September 2008, after reviewing the

current agreement in place for the provision of baggage wrapping services at Miami International Airport (MIA), we advised the Miami-Dade County Aviation Department (MDAD) that it should immediately begin initiating a new contract proposal that contemplates bids from multiple vendors.



We reasoned that the mere fact that security arrangements for the incumbent provider of baggage wrapping services were approved by the Transportation Security Administration should not preclude the selection of a different vendor after the existing contract expires in 2009. To suggest otherwise would preclude the addition of new permittees, lessees, concessionaires, and others from business opportunities at this public facility. In response to our request that MDAD

report back to us, MDAD advised that it would seek approval to initiate a new Request for Proposal process.

### **Contract Review of the Management Agreement for Parking Operations at Miami International Airport (MIA)**

The OIG monitored the Aviation Department's procurement process, including the selection and negotiations, resulting in the proposed award of a management agreement to operate



the public parking facilities at MIA. Our procurement monitoring coincided with our review of current agreement and the incumbent operator, based on allegations received by the County that the incumbent had engaged in overbilling and other financial wrongdoings during the course of its ten-year agreement.

Our review found that the incumbent operator, acting pursuant to the incumbent agreement, had financially taken advantage of the Aviation Department by overcharging its actual expenses through estimates and other related-party dealings, when seeking reimbursement for its costs. The OIG also found that lax contract oversight by Aviation administrators contributed to the excessive compensation. Specific areas of reimbursement reviewed by the OIG were:

- 1) 401(k) retirement plan contributions for the operator's employees who staff the MIA parking operation;
- 2) Workers' compensation insurance covering those same employees; and
- 3) General/garage keeper's liability insurance.

The OIG identified overpayments over a three-year period of over \$200,000 for reimbursement categories 1 and 2. We also estimated that the Aviation Department overpaid for the general/garage keeper's liability insurance by \$100,000 annually for the same three-year period.

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The incumbent operator was also the proposed awardee of the new contract, and there was serious debate as to how to factor in the OIG's findings. The two parties (the operator and the Aviation Department) went to arbitration. In June 2008, the arbitrator ruled that for categories 1 and 2, the failure by contract administrators to challenge the payment requests on a timely basis, who instead were summarily approving the reimbursement requests, negated any finding that the operator acted illegally, unethically or intended to take advantage of the public. As to the third reimbursement category, the arbitrator found that the operator did take advantage of the County.

In the OIG's final assessment, the County, regardless of whether it could feasibly collect the amounts overpaid, had to ensure that, prospectively, the successor agreement's provisions on reimbursement would be iron-clad. In this regard, OIG recommendations, which were made during the procurement process for the successor agreement, were adopted in the proposed agreement. These recommendations addressed the very nature of the cost reimbursements to ensure that reimbursements be limited to actual and reasonably incurred costs.

## **OIG Audit of the Water & Sewer Department's Security Clearances and ID Card Issuance Controls**

Our May 2008 audit report on the Water & Sewer Department's (WASD) security clearances and identification card (ID) issuance controls identified 10 findings and 28 recommendations for WASD's consideration. WASD agreed with our findings and will be implementing OIG recommendations or taking other remedial actions, even in the one instance where it disagreed with the OIG.



Provisions contained in Article IX of Chapter 32 of the Code of Miami-Dade County (Code) provide for rules and regulations governing security at WASD; declare legislative intent; provide definitions and conditions relating to access, restrictions, and use of WASD facilities; and establish the requirements of an identification card badge program. Code Section 32-178 requires that the OIG performs random audits and monitors WASD's compliance with provisions of the cited Code section. The Code additionally requires that the OIG submit a report and recommendations to the Miami-Dade Board of County Commissioners (BCC) following its audits, and permits the OIG, at its discretion, to exclude from such reports any information that may compromise security at WASD facilities or affect the public's safety. As such, it was deemed by both parties that the final un-redacted audit report was security sensitive; therefore, the OIG instead submitted a memorandum to the BCC summarizing the audit results as required by the Code.

In our summary, we reported that WASD does not have a comprehensive, reasonable course of action to implement a coordinated security program as required by Article IX of Chapter 32. For instance, the OIG found a major disconnect between WASD not having any of its facilities designated as "restricted



areas” and the value or importance of an employee holding a Red ID. Red IDs grant their holders the highest security access. However, the importance of holding a Red ID appeared to be moot in the absence of any designated restricted areas. Red IDs confer no apparent added access rights, except in the one instance we found.

In addition, the OIG identified weaknesses in WASD procedures directly influencing its compliance with Code requirements. Weaknesses were observed in practices related to how WASD obtained and recorded ID badge holder background information for prospective employees or consultants; in the storage of ID badge holder application forms; in the collection, deactivation and destroying of IDs held by separating employees or terminating consultants; in the annual revalidations of IDs; in annual drug and alcohol testing for all Red ID holders; and in the safeguarding of blank ID stock.

The OIG requested that WASD provide quarterly reports on its progress of implementing our recommendations, which WASD has done. WASD’s recent February 2009 report confirmed its continued efforts to enhance plant security, particularly within designated restricted areas. WASD described enhancements in conducting prospective employee background checks, plus the upcoming and recently implemented changes in ID control procedures (employee and consultant ID issuance, annual ID revalidation, and ID deactivation and destruction).

### **Audit of the Department of Business Development’s Minority Development Conference Trust Fund Account**

The OIG completed an audit of the Department of Business Development’s Minority Development Conference Trust Fund Account (TFA) in January 2008. Incorporated into our final audit report was the joint response received from the Miami-Dade County Department of Small Business Development (SBD), previously known as the Department of Business Development (DBD), and the County’s Finance Department.



The Minority Business Development Conference Trust Fund Account (TFA) was established by the Miami-Dade Board of County Commissioners (BCC) in 1986. The TFA was to be used to account for revenues and expenditures related to DBD’s Annual Minority Business Development Conference. In 1991, the BCC expanded the authorized use of TFA monies to include expenditures for quarterly business workshops, professional forums, and other business activities.

There were four findings in this report; the first two dealt with questionable payments and lack of supporting documentation. The OIG’s first finding cited DBD for spending \$68,195 of TFA funds for employee recognition programs, galas, and holiday season parties—clearly inappropriate fund usage.



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Second, we found that five checks, totaling \$69,500 and payable to the same entity/individual, were processed incorrectly. There were manual modifications to the payee's name on three occasions. In another instance, one of these checks and five other checks (totaling \$144,500) were payable to the same entity and supported by nothing more than a copy of the agreements between DBD and the named entity. While such agreements may support the authorized expenditure of funds, they do not constitute approval for payment or demonstrate that the contracted services were provided or that the related expenses were incurred.

Third, we found that the TFA's enabling resolutions were outdated. We recommended that the TFA enabling legislation be updated to incorporate current administrative requirements and that periodic reporting to the BCC be required. We also recommended that an assessment be made of whether TFA activities support the TFA's authorized mission. Furthermore, we observed that the overwhelming majority of TFA expenditures could just as easily be made through the standard check request process. Other small expenses associated with hosting the conferences, forums, and workshops might be more suited for payment through a county purchasing card.

Lastly, we found that the TFA was improperly used as a pass-through vehicle to accommodate the Department of Environmental Resource Management's funding of DBD payments of \$540,000 to specified truckers. In addition, the TFA was used as a conduit for making responsible wage violation payments.

In their responses, SBD and the Finance Department provided some historical



perspective and explanatory information about the conditions described in our findings. TFA funding of the winter employee recognition programs, galas, and holiday parties ceased after the December 2005 event, and they strengthened their internal procedures to ensure that payments to vendors and/or owners of such companies are paid in accordance with the established procedures. As a further result of the report,

SBD and the Finance Department reported that the TFA would be phased out, and SBD would utilize standard procurement methods to conduct authorized small business activities and seek BCC's approval, as needed, to incur other conference expenditures such as paying for food items, sponsorships, speakers, and hotel accommodations.

## **OIG Review of Proposed Contract for Homeland Security Consulting Services for the Integrated Command Facility Project**

Our review addressed a concern that the recommended contract awardee had an unfair competitive advantage in this procurement process because its sub-consultant developed the scope definition for the presently proposed

contract. The scope definition for the Integrated Command Facility Project was the “deliverable product” of the sub-consultant’s prior engagement. However, it had been classified as security sensitive information. It was, thus, unavailable to the other firms seeking this contract—but was available to the firm that included as its sub-consultant the firm that wrote the scope.

The project envisioned converting a recently purchased 200,000 square foot multi-use facility to an Integrated Command Facility. The facility would house the County’s 311 and 911 call centers, the Enterprise Technology Services Department, the Emergency Operations Center, and the Public Works Department’s Traffic Signs & Signals Division. The facility, which the County purchased for \$21 million, originally



served as a high-tech business hosting and data transmission hub and was designed and constructed to withstand a Category 5 hurricane. Even so, the OIG found that management’s internal estimates to build-out the facility’s interior for its new intended purpose—as an Integrated Command Facility—and to add a parking garage was upwards of another \$70 million. We recommended a full fiscal impact analysis to include design and build-out costs, relocation costs, costs to maintain the anticipated vacancy of the facilities, and conversion costs to support training and redundancy strategies.

Not only did we question the propriety of the procurement process in selecting the winning engineering firm, but also the cost impact of the project as envisioned. The administration agreed to re-do the selection process for the Homeland Security Services agreement in the interests of transparency.

### **Miami-Dade Transit’s Program Management Consultant Services Contract**

In January 2008, the OIG issued its audit of Miami-Dade Transit’s Contract No. TR04-PTP1, titled *Non-Exclusive Professional Service Agreement Between Miami-Dade County and Parsons Brinkerhoff Quade & Douglas, Inc., for Program Management Services for Implementation of the People’s Transportation Plan*. This \$44 million contract was approved by the Board of County Commissioners (BCC) in 2005. However, only \$25 million was initially appropriated. The contract required Miami-Dade Transit (MDT) to request later appropriations for the remaining \$19 million, and it has since obtained BCC approval for the remaining funds. The contract is for a Program Management Consultant (PMC) to provide personnel to supplement MDT’s own technical and managerial staff, to provide assistance in coordinating and oversight of all People’s Transportation Plan (PTP) projects, and to act as an extension of MDT



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staff. The PMC is comprised of a team headed by the firm of Parsons Brinkerhoff Quade & Douglas, Inc. (PBQD).

Our audit focused on determining whether MDT has effective processes to oversee PBQD activities and to ensure the propriety of amounts paid to PBQD for providing PMC services. We reviewed the agreement and its scope of services. We also reviewed the schedule of participation for each of the Disadvantaged Business Enterprises (DBE) service providers under contract with PBQD. At the time, the issue of DBE contract participation was being addressed by management due to the persistent requests by the BCC. In our report, we mentioned that we would continue to monitor the situation and follow-up, if required.



We found MDT's handling of the PMC had shown improvement since contract inception, particularly in its invoice processing practices. MDT modified its practices during our audit period with regards to its review and approval of PMC employee salary rates and direct labor hours, resulting in more efficient invoice processing. MDT is more effectively using the annual performance evaluation process—a process originally recommended by the OIG during the contract development phase—to elicit changes in PMC management to be more responsive to MDT's needs. Additionally, the PMC began filing monthly lobbyist usage disclosure reports as required by contract. We noted no material adverse audit findings and offered recommendations in areas where we found room for improvement.

One recommendation, which stemmed from our finding that MDT may be in technical noncompliance with the contract requirement to obtain CPA-certified overhead audits, was for MDT to evaluate the subject circumstances and determine an appropriate action. MDT agreed it would obtain such audits from the PMC and its sub-consultants, in addition to continuing its current reliance on letters prepared by the Florida Department of Transportation approving consultant overhead rates. We also recommended that the PMC file periodic reports to the Commission on Ethics (COE) on its compliance with COE restrictions imposed in its advisory opinions issued in advance of the award of the original contract. MDT has reported that PBQD submitted updates to the COE in November 2007.

The OIG also recommended that MDT re-establish the PMC's certification of staff labor hours—a practice that was both initiated and disbanded during our audit—and we strongly suggested that MDT add project management sign-offs to document MDT acceptance of the submitted labor hours. MDT agreed and has already begun adding both PMC's certification and MDT project management approvals.

Finally, the OIG commented on MDT's practices when completing the PMC performance appraisals. We noted that PMC prepares a detailed annual work

program complete with tasks, subtasks, work scopes, deliverables, schedules, and budgets. The annual work program is the basis for the upcoming year's work orders, which are MDT's primary tool to authorize and control all contract work. Thus, we believed it should be a tool for completing PMC performance evaluations. MDT responded that its performance evaluations have been a successful tool in gauging PMC performance and that it will further enhance the evaluation process by basing performance evaluations on the effectiveness in meeting contract performance measures.

### **OIG Oversight of Miami-Dade County Public Health Trust Retail, Asset, and Facilities Lease Agreements**

Last year, the OIG initiated observations of the negotiations process involving two proposed no-bid contract awards by the Miami-Dade County Public Health Trust (PHT) to the Jackson Memorial Foundation, a not-for-profit entity, for the management and development of 72,000 square feet of existing retail spaces in the hospital complex and for the development of a hotel and conference center project.



The PHT governs the Jackson Health System, which at its cornerstone is Jackson Memorial Hospital (JMH), the largest teaching hospital in the State of Florida. Collectively, Jackson Health Systems is the nation's second largest teaching hospital under a single license.

JMH (and its surrounding medical campus) is an accredited, tertiary care hospital and the major teaching facility for the University of Miami's Leonard M. Miller School of Medicine. With more than 1,550 licensed beds, the hospital and surrounding medical campus is a referral center, a magnet for medical research, and home to the Ryder Trauma Center—the only adult and pediatric Level 1 trauma center in Miami-Dade County. Jackson Memorial Foundation (the Foundation) was created by the Trust as its not-for-profit fundraising arm and is primarily engaged in charitable endeavors.



Following concerns by the OIG regarding the propriety of awarding a no-bid asset management agreement to the Foundation, a not-for-profit organization with no prior experience in retail development or asset management, the PHT withdrew the proposal and advised that it will instead undertake that project internally by providing additional resources to its own Facilities Department.

We continued our oversight responsibilities as it related to the proposed hotel and conference center project—a project premised on the ideal that a hotel and international conference center supports the mission of the PHT. The need of such a facility adjacent to the medical campus is financially supported by market



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research. As it was initially conceived, the Trust Board proposed a complex multi-layered structure premised on the Foundation being the primary lessee. Secondary and tertiary lessees were conceived to be joint ventures involving the University of Miami, and commercial hotel developers and hotel operators. Our concerns were that such a contractual structure would make it extremely difficult, if not impossible, for the PHT to monitor and to ensure that the 99-year lease provided the best possible protection and financial return to the PHT, and ultimately to the County and its citizens. As a result of constant and ongoing observations and comments made by the OIG, the PHT has recently taken action to simplify the contracting process by dealing directly with the University of Miami. During this next fiscal year, the OIG will continue its vigilant oversight of this process to ensure that the interests of Miami-Dade County and its citizens are protected.

## **New Audit Activities**

In November 2008, the OIG initiated a comprehensive audit of both architectural and engineering (A&E) and construction contracts awarded by the Public Health Trust. As planned, our audit will be conducted in three phases.



Phase 1 will review A&E contracts awarded under the County's Equitable Distribution Program (EDP) and construction contracts awarded under the County's Miscellaneous Construction Contract Program (MCC). Both the EDP and MCC are administered by the County's Office of Capital Improvements. Phase 2 will review A&E and construction contracts awarded directly by the PHT. Phase 3 will review the PHT's agreements

for program management and construction management services, and the A&E and construction activities provided.

We plan to issue separate reports for each of the three phases. Our review will primarily examine compliance with County and PHT procurement rules and guidelines, assess whether there is adequate documentation of the selection criteria used to base a contract award, and document whether contractor payment requisitions are properly supported and approved for payment. Additionally, as with any other audit of this type, the OIG will gauge whether the overall contracting practices were in accordance with sound business practices, especially with regard to public practices using taxpayer funds.



## Summaries of Investigative Reports

### Faulty MetroMover Escalators Probe Prompts Liquidated Damages Claim

In 2008, the OIG, at the request of Commissioner Jose “Pepe” Diaz, investigated the failure by Kone, Inc. (Kone) to adequately perform its duties and obligations pursuant to county maintenance contracts for MetroMover escalators. Although the escalators had a purported operational life of up to thirty years after initial installation, four of the escalators were corroded beyond repair after only eleven years of operation, and an additional five escalators needed significant repairs and refurbishment, again due to corrosion.



Recently, the OIG issued its report that concluded Kone failed to comply with the inspection and record keeping functions as required by the contracts. For example, Kone was unable to produce records (such as inspection reports, annual supervisory reports, physical check charts, and detailed engineering reports of identified damage) for any of the corroded MetroMover escalators. The OIG’s investigation also determined that both the General Services Administration (GSA) and Miami-Dade Transit (MDT) failed to closely monitor Kone’s performance pursuant to the contracts.

As a result of recommendations made by the OIG, GSA and MDT have undertaken a number of measures designed to improve contractual oversight, including entering into a memorandum of understanding to delineate departmental responsibilities. Liquidated damages have now been levied against Kone in the amount of \$1.2 million for past non-performance under the maintenance contracts. The OIG recognizes that vigilance is exceptionally important when the safety of the public is at stake. As such, we will be scrutinizing Kone’s future performance under the maintenance contracts.



### Lost Property Tax Revenues Identified

An OIG review of the administration of the homestead property tax exemption for Civilian Totally and Permanently Disabled Persons (the T&P exemption) by the Miami-Dade County Property Appraiser’s Office (Property Appraiser) discovered that in 2007 alone, the Property Appraiser failed to identify collectible tax revenues on 42 properties, with a cumulative assessed value of over \$6 million, because it failed to ascertain that the qualified T&P recipients were no longer alive.

The T&P exemption absolves homeowners who are quadriplegics, paraplegics, hemiplegics, or other permanently disabled persons who are wheelchair-bound or legally blind, from having to pay any property taxes on their homestead. The OIG review found that with regards to the T&P exemption, the Property Appraiser’s

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performance of its record keeping duties did not comply with requirements set by Florida law. In addition, a number of properties continued to receive the T&P exemption even though the qualifying owner was deceased, and in some instances had been deceased for longer than ten years. Nevertheless, the Property Appraiser continued to provide a T&P exemption for those properties because it failed to ascertain that the originally qualified recipient was no longer alive.

Overall, we concluded that the Property Appraiser failed in its responsibility to efficiently and effectively administer the T&P exemption. Based on our findings, we provided recommendations aimed specifically at improving the administration of the T&P homestead tax exemption program. The OIG referred several cases of T&P exemption fraud to the Miami-Dade State Attorney's Office for prosecution.

## **Fire Department Will Limit Spiraling Overtime Wages**

The OIG conducted a prime case study of Miami-Dade Fire Rescue's (MDFR) failure to monitor excessive overtime earned by personnel often working consecutive shifts upwards of 60-plus hours or more. We found that MDFR management disregarded key policy safeguards instituted to monitor the amount of consecutive hours an employee is permitted to work. In addition, MDFR failed to take action and institute progressive discipline to control excessive sick leave at the same time it permitted thousands of overtime hours during 2005 and 2006. For example, one employee logged over 3,100 overtime hours during that period, so that his annual compensation exceeded the Fire Chief's gross salary for both years.



The MDFR acknowledged that its own policy was implemented to limit fatigue that could endanger both firefighters and the community. After an arbitration award, unrelated to the OIG case study, found that MDFR's policy on limiting consecutive overtime hours violated certain union collective bargaining agreements with the County, the OIG recommended that MDFR derive a solution to this problem through the collective bargaining process. We recognize that MDFR is positively addressing the issues brought out in our report, but we will continue to monitor this important public safety issue.

## **Underpayment of Fees by Security Services Provider at Airport Uncovered**

An investigation by the OIG into the underpayment of permit fees by private security services firms at Miami International Airport (MIA) revealed that one such firm, SMI Security Management, Inc. (SMI), failed to pay the Miami-Dade County Aviation Department (MDAD) a total of almost \$100,000 in monthly opportunity fees in 2007. Although SMI has now repaid the fees, we also recommended in our September 2008 final report that MDAD compute appropriate monetary penalties.

The OIG investigation also disclosed that SMI had close ties to another private



security firm, Sereca Security (Sereca), the activities of which we previously reported on in 2007. As a result of that investigation, which found Sereca had underreported its revenue by over \$4 million and owed MDAD approximately \$200,000 in opportunity fees, MDAD revoked its permit. Sereca can no longer operate at MIA. Eventually, it was determined that Sereca's liability to the County exceeded \$400,000, which it has now repaid. Accordingly, we also recommended in the September 2008 final report that MDAD undertake an appraisal of SMI's suitability for continued permittee status at MIA, given its relationship to Sereca.

The OIG also determined that a third security firm, G.L. Heffner Security Consultants, Inc. (Heffner), underreported its gross revenues by over \$731,000 for the period between January 2005 and August 2007, and owed MDAD approximately \$51,000 in opportunity fees. The OIG recommended that MDAD pursue collection of the outstanding fees.



#### **Executive Director of Suited For Success Misused Agency Funds**

The OIG conducted an investigation which sustained allegations that the executive director of Suited for Success (SFS) and other SFS employees converted agency funds to personal use, largely by receiving unauthorized salary advances on several occasions. Although the monies were eventually repaid, the OIG remained concerned that SFS, an organization that provides appropriate clothing and training on interview preparedness and business etiquette to clients, had failed to meet required performance goals set by the County. We also reiterated our assessment that not enough was done to hold the executive director accountable for her actions. After the OIG issued its final report, the County began debarment proceedings against SFS.

#### **Employees Commandeer Airport Parking Spaces Reserved for the Disabled**

In April 2008, the OIG completed an investigation into workers at Miami International Airport (MIA) abusing a county ordinance that provides free parking in public parking facilities to the disabled. A large number of the disabled parking spaces reserved for the traveling public were frequently occupied by airport workers who appeared to be able-bodied, and had employee parking provided to them at an off-site location. The OIG conducted an in-depth review of the designated disabled parking spaces at MIA, including those in the Flamingo and Dolphin garages and the short-term lot, which required an examination of thousands of fee waiver entries in electronic data format. Our records review determined that in a two-week period, approximately half (52%) of all the disabled fee waivers were generated by individuals holding security ID badges and credentials issued by the Miami-Dade Aviation Department. The fee waivers were attributable to over 200 such airport workers, only five of whom were Miami-Dade Aviation Department employees.





# Office of the Inspector General

We determined that the overall impact of parking fee waivers was \$1.6 million in fiscal year 2005-06, and \$2.2 million in fiscal year 2006-07. Based upon the 52% employee percentage determined by the OIG, the monetary impact of fee waivers for airport workers during fiscal year 2006-07 exceeded \$1 million. We included these findings in the final report as a basis for discussions intended to assess whether changes in the disabled fee waiver policies were warranted. Policy discussions did take place, but no changes were made.

Separately, two criminal prosecutions, both of Transportation Security Administration (TSA) employees, resulted from the investigation. In both cases, the TSA employees were charged with crimes in connection with fraudulently obtaining disabled parking permits and then using them on their exit from the parking garage to waive the parking fees.

## **Administrative Office of the Courts Recoups Duplicate Payments to Dry Cleaner**

After reviewing procurement practices by the Administrative Office of the Courts (AOC), the OIG determined that the AOC was overcharged for dry cleaning and laundry services by a dry cleaning company that was used instead of the vendor on the County's contract for dry cleaning services. The AOC regularly sends court personnel uniforms and judicial robes for dry cleaning and laundry service. The dry cleaning company's unit prices, on average, were 189% higher than the county vendor for a six-month period during 2006. Moreover, the firm submitted three duplicate invoices, totaling over \$2,000, that were approved by the AOC and paid by the County.



As recommended by the OIG, the AOC conducted a full audit of its dry cleaning invoices and identified an additional \$1,441 in duplicate payments. Although the AOC will recoup its overpayments by deducting them from the amount due to the dry cleaner, we also recommended that the AOC no longer use that dry cleaning company, in light of the much higher prices and the billing discrepancies.

## **Schoolteacher Wrongfully Obtained Affordable Housing Funds**

In August 2008, the OIG concluded after its investigation that a county schoolteacher wrongfully applied for and received affordable housing funds through the Miami-Dade Housing Finance Authority's (HFA) 80/20 Downpayment Assistance Program. The HFA's program makes primary mortgages at below market rates available to qualified homebuyers and provides the funds for the twenty percent downpayment in the form of a zero percent interest, 5-year deferred payment secondary mortgage. The secondary mortgage, like the primary mortgage, required the borrower to occupy the property as his principal residence within sixty (60) days of the closing.



The OIG investigation found that the schoolteacher did not reside at the property, nor had he since purchasing the home in June 2006. Instead, he rented the property to a tenant since acquiring it and collected approximately \$9,000 annually in rental income. As such, he was in default of the HFA program's requirements. In response to the OIG's recommendation, the HFA has taken action to seek return of the loan monies.

### **Courthouse Security Guards Conducting Side Business While on Duty**

The OIG conducted an investigation, prompted by the concerns of Chief Judge Joseph P. Farina of the Eleventh Judicial Circuit, that possible illegal compensation was being received by courthouse security guards for their work in completing and notarizing Family Court documents for individuals using the Court's Self Help Program. Security services for the courthouse are provided through contracted security guard firms that staff the security guard posts. While the investigation did not reveal any criminal wrongdoing, the OIG found that some contract security officers engaged in inappropriate behavior by soliciting personal business from members of the public while on duty at the Courthouse Center. The security officers in question were charging \$5 - \$10 for notarizing a document and one stated that he had charged \$150 for his services in filling out the Self Help forms.

The OIG issued a report which indicated that, in fact, court security officers were conducting personal business while on duty, specifically by completing



and notarizing documents for members of the public. We rendered an opinion that the County has a reasonable expectation that the people it employs, either directly or by contract through a firm, would not engage in outside business stemming from their interaction with the public. We implored the county's General Services Administration (GSA), the contract administrator of the county's security guard contracts, to enforce contract provisions prohibiting inappropriate behavior. The report also identified other deficiencies within the Family Court's Self-Help Program that may have created the atmosphere where individuals thought they would be better off paying

for help. We included recommendations intended to revamp and streamline Self-Help Program operations to improve the efficiency of the services offered to its constituents. Both the Courts and GSA embraced our recommendations. GSA stated that it would re-emphasize to all of its security services vendors that all personnel assigned to work under the county contract are strictly prohibited from conducting any personal business, and that such action would amount to a contract violation subject to the imposition of liquidated damages, the removal of the officer from the contract, the loss of post for the vendor, and any other action deemed necessary by county management.

# Office of the Inspector General

## APPENDIX A

### Sec. 2-1076. Office of the Inspector General.

(a) Created and established. There is hereby created and established the Office of Miami-Dade County Inspector General. The Inspector General shall head the Office. The organization and administration of the Office of the Inspector General shall be sufficiently independent to assure that no interference or influence external to the Office adversely affects the independence and objectivity of the Inspector General.

(b) Minimum Qualifications, Appointment and Term of Office.

(1) Minimum qualifications. The Inspector General shall be a person who:

(a) Has at least ten (10) years of experience in any one, or combination of, the following fields:

(i) as a Federal, State or local Law Enforcement Officer;

(ii) as a Federal or State court judge;

(iii) as a Federal, State or local government attorney;

(iv) progressive supervisory experience in an investigative public agency similar to an inspector general's office;

(b) Has managed and completed complex investigations involving allegations of fraud, theft, deception and conspiracy;

(c) Has demonstrated the ability to work with local, state and federal law enforcement agencies and the judiciary; and

(d) Has a four-year degree from an accredited institution of higher learning.

(2) Appointment. The Inspector General shall be appointed by the Ad Hoc Inspector General Selection Committee ("Selection Committee"), except that before any appointment shall become effective, the appointment must be approved by a majority of the whole number of members of the Board of County Commissioners at the next regularly scheduled County Commission meeting after the appointment. In the event that the appointment is disapproved by the County Commission, the appointment shall become null and void, and the Selection Committee shall make a new appointment, which shall likewise be submitted for approval by the County Commission. The Selection Committee shall be composed of five members selected as follows:

(a) The State Attorney of the Eleventh Judicial Circuit for Miami-Dade County;

(b) The Public Defender of the Eleventh Judicial Circuit for Miami-Dade County;

(c) The Chairperson of the Miami-Dade Commission on Ethics and Public Trust;

(d) The President of the Miami-Dade Police Chief's Association; and

(e) The Special Agent in charge of the Miami Field Office of the Florida Department of Law Enforcement.



The members of the Selection Committee shall elect a chairperson who shall serve as chairperson until the Inspector General is appointed. The Selection Committee shall select the Inspector General from a list of qualified candidates submitted by the Miami-Dade County Employee Relations Department.

(3) Term. The Inspector General shall be appointed for a term of four (4) years. In case of a vacancy in the position of Inspector General, the Chairperson of the Board of County Commissioners may appoint the deputy inspector general, assistant inspector general, or other Inspector General's office management personnel as interim Inspector General until such time as a successor Inspector General is appointed in the same manner as described in subsection (b)(2) above. The Commission may by majority vote of members present disapprove of the interim appointment made by the Chairperson at the next regularly scheduled County Commission meeting after the appointment. In the event such appointment shall be disapproved by the County Commission, the appointment shall become null and void and, prior to the next regularly scheduled Commission meeting, the Chairperson shall make a new appointment which shall likewise be subject to disapproval as provided in this subsection (3). Any successor appointment made by the Selection Committee as provided in subsection (b)(2) shall be for the full four-year term.

Upon expiration of the term, the Board of County Commissioners may by majority vote of members present reappoint the Inspector General to another term. In lieu of reappointment, the Board of County Commissioners may reconvene the Selection Committee to appoint the new Inspector General in the same manner as described in subsection (b)(2). The incumbent Inspector General may submit his or her name as a candidate to be considered for selection and appointment.

(4) Staffing of Selection Committee. The Miami-Dade County Employee Relations Department shall provide staffing to the Selection Committee and as necessary will advertise the acceptance of resumes for the position of Inspector General and shall provide the Selection Committee with a list of qualified candidates. The County Employee Relations Department shall also be responsible for ensuring that background checks are conducted on the slate of candidates selected for interview by the Selection Committee. The County Employee Relations Department may refer the background checks to another agency or department. The results of the background checks shall be provided to the Selection Committee prior to the interview of candidates.

(c) Contract. The Director of the Employee Relations Department shall, in consultation with the County Attorney, negotiate a contract of employment with the Inspector General, except that before any contract shall become effective, the contract must be approved by a majority of Commissioners present at a regularly scheduled Commission meeting.

(d) Functions, authority and powers.

(1) The shall have the authority to make investigations of county affairs and the power to review past, present and proposed County and Public Health Trust programs, accounts, records, contracts and transactions.

(2) The Office shall have the power to require reports from the Mayor, County Commissioners, Manager, County agencies and instrumentalities, County officers and employees and the Public Health Trust and its officers and employees regarding any matter within the jurisdiction of the Inspector General.



# Office of the Inspector General

(3) The office shall have the power to subpoena witnesses, administer oaths and require the production of records. In the case of a refusal to obey a subpoena issued to any person, the Inspector General may make application to any circuit court of this State which shall have jurisdiction to order the witness to appear before the Inspector General and to produce evidence if so ordered, or to give testimony touching on the matter in question. Prior to issuing a subpoena, the Inspector General shall notify the State Attorney and the U.S. Attorney for the Southern District of Florida. The Inspector General shall not interfere with any ongoing criminal investigation of the State Attorney or the U.S. Attorney for the Southern District of Florida where the State Attorney or the U.S. Attorney for the Southern District of Florida has explicitly notified the Inspector General in writing that the Inspector General's investigation is interfering with an ongoing criminal investigation.

(4) The office shall have the power to report and/or recommend to the Board of County Commissioners whether a particular project, program, contract or transaction is or was necessary and, if deemed necessary, whether the method used for implementing the project or program is or was efficient both financially and operationally. Any review of a proposed project or program shall be performed in such a manner as to assist the Board of County Commissioners in determining whether the project or program is the most feasible solution to a particular need or problem. Monitoring of an existing project or program may include reporting whether the project is on time, within budget and in conformity with plans, specifications and applicable law.

(5) The Office shall have the power to analyze the need for, and the reasonableness of, proposed change orders. The Inspector General shall also be authorized to conduct any reviews, audits, inspections, investigations or analyses relating to departments, offices, boards, activities, programs and agencies of the County and the Public Health Trust.

(6) The Inspector General may, on a random basis, perform audits, inspections and reviews of all County contracts. The cost of random audits, inspections and reviews shall, except as provided in (a)-(n) in this subsection (6), be incorporated into the contract price of all contracts and shall be one quarter (1/4) of one (1) percent of the contract price (hereinafter "IG contract fee"). The IG contract fee shall not apply to the following contracts:

- (a) IPSIG contracts;
- (b) Contracts for legal services;
- (c) Contracts for financial advisory services;
- (d) Auditing contracts;
- (e) Facility rentals and lease agreements;
- (f) Concessions and other rental agreements;
- (g) Insurance contracts;
- (h) Revenue-generating contracts;
- (i) Contracts where an IPSIG is assigned at the time the contract is approved by the Commission;
- (j) Professional service agreements under one thousand dollars (\$1,000);
- (k) Management agreements;



- (l) Small purchase orders as defined in Administrative Order 3-2;
- (m) Federal, state and local government-funded grants; and
- (n) Interlocal agreements.
- (o) Grant Agreements granting not-for-profit organizations Building Better Communities General Obligation Bond Program funds.

Notwithstanding the foregoing, the Commission may by resolution specifically authorize the inclusion of the IG contract fee in any contract. Nothing contained in this Subsection (c)(6) shall in any way limit the powers of the Inspector General provided for in this Section to perform audits, inspections, reviews and investigations on all county contracts including, but not limited to, those contracts specifically exempted from the IG contract fee.

(7) Where the Inspector General detects corruption or fraud, he or she shall notify the appropriate law enforcement agencies. Subsequent to notifying the appropriate law enforcement agency, the Inspector General may assist the law enforcement agency in concluding the investigation. When the Inspector General detects a violation of one (1) of the ordinances within the jurisdiction of the Ethics Commission, he or she may file a complaint with the Ethics Commission or refer the matter to the Advocate.

(8) The Inspector General shall have the power to audit, investigate, monitor, oversee, inspect and review the operations, activities and performance and procurement process including, but not limited to, project design, establishment of bid specifications, bid submittals, activities of the contractor, its officers, agents and employees, lobbyists, County staff and elected officials in order to ensure compliance with contract specifications and detect corruption and fraud.

(9) The Inspector General shall have the power to review and investigate any citizen's complaints regarding County or Public Health Trust projects, programs, contracts or transactions.

(10) The Inspector General may exercise any of the powers contained in Section 2-1076 upon his or her own initiative.

(11) The Inspector General shall be notified in writing prior to any meeting of a selection or negotiation committee where any matter relating to the procurement of goods or services by the County is to be discussed. The notice required by this subsection (11) shall be given to the Inspector General as soon as possible after a meeting has been scheduled, but in no event later than twenty-four (24) hours prior to the scheduled meeting. The Inspector General may, at his or her discretion, attend all duly noticed County meetings relating to the procurement of goods or services as provided herein, and, in addition to the exercise of all powers conferred by Section 2-1076, may pose questions and raise concerns consistent with the functions, authority and powers of the Inspector General. An audio tape recorder shall be utilized to record all selection and negotiation committee meetings.

(12) The Inspector General shall have the authority to retain and coordinate the services of Independent Private Sector Inspectors General (IPSIG) or other professional services, as required, when in the Inspector General's discretion he or she concludes that such services are needed to perform the duties and functions enumerated in subsection (d) herein.

# Office of the Inspector General

(e) Physical facilities and staff.

(1) The County shall provide the Office of the Inspector General with appropriately located office space and sufficient physical facilities together with necessary office supplies, equipment and furnishings to enable the Office to perform its functions.

(2) The Inspector General shall have, subject to budgetary allocation by the Board of County Commissioners, the power to appoint, employ, and remove such assistants, employees and personnel and establish personnel procedures as deemed necessary for the efficient and effective administration of the activities of the Office.

(f) Procedure for finalization of reports and recommendations which make findings as to the person or entity being reviewed or inspected. Notwithstanding any other provisions of this Code, whenever the Inspector General concludes a report or recommendation which contains findings as to the person or entity being reported on or who is the subject of the recommendation, the Inspector General shall provide the affected person or entity a copy of the report or recommendation and such person or entity shall have 10 working days to submit a written explanation or rebuttal of the findings before the report or recommendation is finalized, and such timely submitted written explanation or rebuttal shall be attached to the finalized report or recommendation. The requirements of this subsection (f) shall not apply when the Inspector General, in conjunction with the State Attorney, determines that supplying the affected person or entity with such report will jeopardize a pending criminal investigation.

(g) Reporting. The Inspector General shall annually prepare and submit to the Mayor and Board of County Commissioners a written report concerning the work and activities of the Office including, but not limited to, statistical information regarding the disposition of closed investigations, audits and other reviews.

(h) Removal. The Inspector General may be removed from the office upon the affirmative vote of two-thirds (2/3) of the whole number of members of the Board of County Commissioners.

(i) Abolition of the Office. The Office of the Inspector General shall only be abolished upon the affirmative vote of two-thirds (2/3) of the whole number of members of the Board of County Commissioners.

(j) Retention of current Inspector General. Notwithstanding any provision to the contrary, the incumbent Inspector General, Christopher R. Mazzella, shall serve a four year term of office commencing on December 20, 2009, as provided in the Memorandum of Understanding approved by Resolution No. R-1394-05, and shall not be subject to the appointment process provided for in Section 2-1076(b)(2).

(Ord. No. 97-215, § 1, 12-16-97; Ord. No. 99-63, § 1, 6-8-99; Ord. No. 99-149, § 1, 10-19-99; Ord. No. 00-105, § 1, 7-25-00; Ord. No. 01-114, § 1, 7-10-01; Ord. No. 05-51, § 1, 3-1-05; Ord. No. 06-88, § 2, 6-6-06, Ord. No. 07-165; § 1, 11-6-07)



**APPENDIX B: INTERLOCAL AGREEMENT BETWEEN THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, AND MIAMI-DADE COUNTY, FLORIDA, FOR THE PROVISION OF INSPECTOR GENERAL SERVICES THROUGH THE OFFICE OF THE MIAMI-DADE COUNTY INSPECTOR GENERAL**

THIS INTERLOCAL AGREEMENT (the "Interlocal Agreement" or "Agreement" or "ILA") is entered into as of the 27th day of December 2007, by and between THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, a public body corporate and politic and governing body of The School District of Miami-Dade Florida, a political subdivision of the State, existing under the laws of the State of Florida, its successors and assigns (hereinafter referred to as the "School Board"), and MIAMI-DADE COUNTY, a political subdivision of the State, its successors and assigns (hereinafter referred to as the "County"). The School Board and the County are sometimes referred to herein individually as a "Party" and collectively as the "Parties")

RECITALS

WHEREAS, Section 163.01, Florida Statutes, the "Florida Interlocal Cooperation Act of 1969," authorizes public agencies to enter into interlocal agreements for mutual benefit; and

WHEREAS, the home rule powers under Section 1001.32(2), Florida Statutes, authorizes the School Board to exercise any power except as expressly prohibited by the State Constitution or general law; and

WHEREAS, the School Board seeks to hire an Inspector General that would be responsible, on behalf of the School Board, for conducting independent audits and investigations into school district practices and operations in order to prevent and detect fraud, waste, financial mismanagement, or other abuses, and promote accountability, integrity, economy, and efficiency in government; and

WHEREAS, School Board Rule 6GX13-8A-1.08 expressly authorizes the School Board, as an alternative method to selecting and employing an Inspector General, to contract through an interlocal agreement with the County for inspector general services to fulfill the role of the Inspector General for the School Board; and

WHEREAS, the County already has an established Office of the Inspector General that has been nationally recognized for independently and effectively conducting inspector general activities; and

WHEREAS, the County and the School Board recognize that, given the knowledge, experience, and ability of the staff of the Office of the Miami-Dade County Inspector General in conducting investigations into government waste, fraud, or mismanagement, the Office of the Miami-Dade County Inspector General is in the best position to expeditiously fulfill the services of Inspector General for the School Board; and

WHEREAS, the School Board and the County have determined that it will serve the public interest to enter into this Interlocal Agreement in order to accomplish all of the foregoing goals,

Now therefore, in consideration of the terms and conditions, promises and covenants hereinafter set forth, the Parties agree as follows:

Section 1. Recitals Incorporated.

The above recitals are true and correct and incorporated herein by reference.

Section 2. Purpose.

The purpose of this Interlocal Agreement (ILA) is to arrange for the services of an Inspector General and the provision of inspector general services to the School Board by the Miami-Dade County Office of the Inspector General (County OIG).



# Office of the Inspector General

## Section 3. Responsibilities, Functions, Authority, and Jurisdiction of the Inspector General:

a. The Miami-Dade County Inspector General shall act as head of the School Board's Office of Inspector General (hereinafter "SB OIG") and serve as the Inspector General for the School Board during the term of this ILA. The organization and administration of the SB OIG shall be sufficiently independent to assure that no interference or influence external to the SB OIG adversely affects the independence and objectivity of the Inspector General. The term "Inspector General" when standing alone hereinafter shall refer to the Inspector General for the School Board whose role is being fulfilled by the County's Inspector General pursuant to the terms of this ILA.

b. The SB OIG shall have the authority to make investigations of School Board affairs and the power to review past, present and proposed School Board programs, accounts, records, contracts and transactions.

c. The SB OIG shall have the power to require reports and the production of records from the Superintendent, School Board members, School District departments and allied organizations, and District officers and employees, regarding any matter within the jurisdiction of the Inspector General.

d. The OIG shall have the power to report and/or recommend to the School Board and/or the Superintendent whether a particular project, program, contract, or transaction is or was necessary and, if deemed necessary, whether the method used for implementing the project or program is or was efficient both financially and operationally. Any review of a proposed project or program shall be performed in such a manner as to assist the School Board or Superintendent in determining whether the project or program is the most feasible solution to a particular need or problem. Monitoring of an existing project or program may include reporting whether the project is on time, within budget, and in conformity with plans, specifications and applicable law.

e. The OIG shall have the power to analyze the need for, and the reasonableness of, proposed change orders. The Inspector General shall also be authorized to conduct any reviews, audits, inspections, investigations or analyses relating to departments, offices, committees, activities, programs and agencies of the School Board.

f. The Inspector General may, on a random basis, perform audits, inspections and reviews of all School Board contracts. All prospective bidders, proposers, vendors and contractors doing business with the School Board will be informed of the authority of the SB OIG to conduct such random audits, inspections, and reviews and language to this effect, including but not limited to the authority of the SB OIG to access contractor records and the obligation of the contractor to make those records available upon request, shall be incorporated into every bid, proposal, contract and purchase order issued by the School Board after the effective date of this ILA.

g. The Inspector General shall have the power to audit, investigate, monitor, oversee, inspect, and review the operations, activities and performance and procurement process including, but not limited to, project design, establishment of bid specifications, bid submittals, activities of the contractor, its officers, agents and employees, lobbyists, School Board staff, and elected officials, in order to ensure compliance with contract specifications and detect corruption and fraud.

h. Pursuant to § 112.3187(6), Fla. Stat., the OIG shall be the designee of the District's chief executive officer for purposes of receiving Whistle-blower's Act disclosures under § 112.3187(7) and investigating in accordance with §§ 112.3187-31895, Fla. Stat.

i. Notwithstanding section (h) above, the Inspector General shall have the power to review and investigate any citizen's complaints regarding School Board projects, programs, contracts or transactions.

j. The Inspector General may exercise any of the responsibilities, functions and authorities contained in this ILA upon his or her own initiative.

k. The Inspector General shall be notified in writing prior to any meeting of a selection or negotiation committee where any matter relating to the procurement of goods or services by the School Board is to be discussed. The notice required by this section shall be given to the Inspector General as soon as possible after a meeting has been scheduled, but in no event later than twenty-four hours prior to the scheduled meeting; said notice may be provided via electronic mail. The Inspector General may, at his or her discretion, attend all duly noticed School District meetings





relating to the procurement of goods or services as provided herein, and may pose questions and raise concerns consistent with the functions, authority and powers of the Inspector General. An audio tape recorder shall be utilized to record all selection and negotiation committee meetings.

I. Under § 1002.22(3), Fla. Stat., student records are highly confidential and may be disclosed only as allowed by § 1002.22(3)(d), Fla. Stat., and State Board of Education Rule 6A-1.0955, F.A.C. The Inspector General will observe these restrictions when preparing reports, as well as observing all other applicable confidentiality requirements under state and federal law.

#### Section 4. Coordination Of Activities With Internal And External Agencies.

a. The School Board, Superintendent, Chief Auditor, Office of Civil Rights Compliance, Civilian Investigative Unit, Office of Professional Standards and Miami-Dade Schools Police will cooperate with the Inspector General and SB OIG to achieve the goals of preventing and detecting fraud, waste, financial mismanagement, or other abuses, and promoting accountability, integrity, economy, and efficiency in government. Although the SB OIG does not, whenever possible, intend to duplicate the work of the aforementioned entities, its audits, investigations, inspections and reviews may from time to time address the same or similar issues or activities being reviewed by the aforementioned entities. In such cases, and in every case, SB OIG audits, investigations, inspections and reviews will be conducted separately and independently from the aforementioned activities, and upon conclusion, the SB OIG, where appropriate, shall refer the disposition or finalization of an audit, investigation, inspection or review to the appropriate school board entity for any additional action. The Inspector General, District Superintendent and directors of the aforementioned departments may, through subsequent mutual written agreement(s), agree upon operating procedures to ensure that the aforementioned goals are achieved.

b. The Inspector General shall not interfere with any ongoing criminal investigation of the State Attorney or the U.S. Attorney for the Southern District of Florida where the State Attorney or the U.S. Attorney for the Southern District of Florida has explicitly notified the Inspector General in writing that the Inspector General's investigation is interfering, or would interfere, with an ongoing criminal investigation.

c. Where the Inspector General detects corruption or fraud, he shall notify the appropriate law enforcement agency(ies). Subsequent to notifying the appropriate law enforcement agency, the Inspector General may assist the law enforcement agency in concluding the investigation.

d. OIG personnel will make every reasonable effort to minimize any disruption or interference with work activities being performed in the school system. Except where investigative requirements dictate otherwise, advance notice should be given of a need for the IG or other OIG staff to access areas not routinely accessed by the Board, employees, contractors, or subcontractors of a school. Visits to school sites should be coordinated with the principal and School Police; and any access to students (e.g. interviews or requests for statements) must be consistent with the District's procedures for investigations and the rights of parents and guardians. OIG personnel, who in the course of their employment will have direct contact with students or access to school grounds while students are present, must comply with the requirements of the Jessica Lunsford Act, § 1012.465, Fla. Stat. (2007), and any amendments thereto.

#### Section 5. Physical Facilities and Staff of the SB OIG:

a. The School Board and District shall provide the SB OIG with appropriately located office space and sufficient physical equipment facilities together with necessary office supplies, equipment, and furnishings to enable the SB OIG to perform its functions.

b. The Inspector General may make available staff members of the County's OIG to provide administrative, legal, investigative, audit and inspectional services. The provision of these services will be reimbursed by the School Board pursuant to Section 7 of this agreement. County personnel providing services pursuant to this agreement, including the Inspector General, shall remain at all times employees of the County.

c. The District Superintendent will make available personnel, resources and accommodations to the Inspector General in order to staff the SB OIG. Funding for personnel, resources and accommodations provided by the District shall be included in the annual allocation by the School Board for the SB OIG as provided in Section 7 of this agreement. The identification, duration, and terms of detachment of District personnel pursuant to this section will be made by subsequent mutual written agreement(s) between the Inspector General and the Superintendent, which will be

# Office of the Inspector General

in conformance with the requirements of § 112.24, Fla. Stat. During the term of this ILA, the School Board hereby delegates to the Superintendent the authority to enter into said personnel detachment agreements. These individuals shall report directly to the Inspector General or his designee during the period of the detachment. District personnel detached to the SB OIG shall remain at all times employees of the School District and such detachment will in no way adversely affect the individual's employment rights and privileges, nor shall an employee's return to his or her previous position be adversely affected after a period of detachment to the SB OIG. At the conclusion of their detachment, placement and assignment of school district employees will be governed under the terms of their respective collective bargaining agreements.

d. The Inspector General shall, subject to the budgetary allocation by the School Board, have the authority to retain and coordinate the services of Independent Private Sector Inspectors General (IPSIG) or other professional services, as required, when in the Inspector General's discretion he or she concludes that such services are need to perform the duties and functions enumerated in this ILA.

e. The Inspector General shall have the power to establish personnel and operating procedures as deemed necessary for the efficient and effective administration and performance of this ILA.

## Section 6. Reports and Recommendations by the OIG:

a. Notwithstanding any other provision of this ILA, whenever the Inspector General drafts a report or recommendation which contains findings as to the person or entity being reported on or who is the subject of the recommendation, the Inspector General shall provide the affected person or entity a copy of the report or recommendation and such person shall have 10 working days to submit a written explanation or rebuttal of the findings before the report or recommendation is finalized, and such timely submitted written explanation or rebuttal shall be attached to the finalized report or recommendation. The requirements of this section shall not apply when the Inspector General, in conjunction with the State Attorney, or other prosecuting authority, determines that supplying the affected person or entity with such report will jeopardize a pending criminal investigation.

b. The Inspector General shall annually prepare and submit to the School Board a written report concerning the work and activities of the SB OIG as it relates to the duties outlined in this ILA including, but not limited to, statistical information regarding the disposition of closed investigations, audits, and other reviews.

## Section 7. Budgetary Allocation By The School Board.

It is agreed by the Parties that the operations and services to be provided by the SB OIG to the School Board shall be adequately funded at no cost to the County.

a. Initial Allocation. The School Board agrees that it will allocate \$75,000 (allocated from a fund that has been budgeted for purposes reasonably related to OIG services) as an initial amount of funds to the SB OIG, and place such funds in an account to be drawn by the SB OIG as needed, until an annual budget is agreed upon by the School Board and the Inspector General. The SB OIG will provide the School Board with an invoice, accounting or other report of any monies drawn from the initial \$75,000 allocation.

b. SB OIG Budget. The Inspector General will, within 90 days after the ILA becomes effective, present to the School Board, through a recommendation from the Superintendent, a proposed annual budget for the SB OIG and a method for its implementation. This proposed budget shall be inclusive of the resources to be provided by the County OIG through its professional staff and any operating expenditures made directly by the County OIG in the furtherance of or pursuant to this ILA. Additionally, the annual budget shall contain funds to accommodate the resources to be provided for the operation of the SB OIG as identified in Section 5(a) and 5(c) herein, and sufficient funds for the general operation of the SB OIG. Once the SB OIG and the School Board are in agreement, the School Board shall adequately fund the costs of the services and operations for not less than the first year of this ILA. Thereafter, annual budgets shall be proposed in accordance with the guidelines set forth in this Section.

c. Compensation for County OIG services. Compensation for direct County OIG services shall be paid by the School Board within 30 days upon presentation of an invoice from the County OIG, which shall be submitted quarterly. Copies of receipts or other appropriate supporting documentation will be presented with the invoice seeking payment. Compensation for professional services rendered by



County OIG personnel shall include the individual's direct hourly salary, County payroll fringe and other benefits, and applicable County OIG office overhead.

d. Should the parties hereto be unable to agree upon a budget in the manner prescribed in this section, this ILA shall be void ab initio, and any unexpended and unencumbered funds included in the initial funding allocation provided by the School Board, shall be returned to the School Board.

#### Section 8. Termination of ILA.

This ILA may be terminated for any reason, including convenience, by either party by thirty (30) days' written notice to the other party.

#### Section 9. Term and Effective Date of ILA.

This ILA shall take effect upon final execution of the ILA by both the School Board and the County, for a term of three years from the date it takes effect. This three year term may be renewed for an additional term, the length of which must be determined and agreed upon by both parties to the ILA.

#### Section 10. Indemnification and Legal Representation of the County, OIG and OIG Staff:

The School Board agrees to indemnify and hold harmless the County and its officers, employees, agents and instrumentalities including, but not limited to, the Inspector General, any member of the County OIG, and any District personnel detached or assigned to the SB OIG for any civil actions, complaints, claims, or lawsuits that may be served on them resulting from the performance of this ILA, subject to the provisions of § 768.28, Fla. Stat. The School Board agrees to pay the legal fees and expenses resulting from the defense of such actions in accordance with § 1012.26, Fla. Stat. Notwithstanding any provisions of State law or School Board Rules, the School Board agrees that the County and its officers, employees, agents and instrumentalities including, but not limited to, Inspector General, any members of the County OIG and any District personnel detached or assigned to the SB OIG, at their sole discretion, may use or retain the services of in-house, County, outside and/or private legal counsel of their choice, in the defense of such actions, and that such services shall be paid for by the School Board, to the extent consistent with § 768.28, Fla. Stat., as interpreted by case law and pertinent Attorney General's opinions.

#### Section 11. Miscellaneous.

a. Notices. All notices, requests, consents, and other communications under this ILA shall be made in writing and shall be personally delivered, mailed by First Class Mail, postage prepaid, or sent by overnight delivery service, to the parties.

Except as otherwise provided in this ILA, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 PM (at place of delivery) or on non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the School Board and counsel for the County may deliver Notice on behalf of the School Board and the County, respectively. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the Parties.

b. Enforcement of Agreement. In the event that the County, including the County OIG and the Inspector General, is required to prosecute or defend any action by court proceeding or otherwise relating to this ILA, the School Board shall be responsible for the fees and costs of the County's attorneys to the extent permitted by law.

c. Entire Agreement. This instrument incorporates and includes all prior negotiations, correspondence, conversations, agreements or understandings applicable to the matters contained herein. The Parties also acknowledge that certain operating procedures and protocols, relating to the assignment of staff and coordination of activities among certain School Board departments, will be stated and agreed to by the Inspector General and the District Superintendent through subsequent, separate written agreements, as provided for in Sections 4(a), 5(c) and 5(e).

d. Amendments. Amendments and Addenda to and waivers of the provisions contained in this



# Office of the Inspector General

Interlocal Agreement may be made only by an instrument in writing which is executed by both Parties.

e. Joint Preparation. This Interlocal Agreement has been negotiated fully between the Parties as an arm's length transaction. Both Parties participated fully in the preparation of this Interlocal Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Interlocal Agreement, both Parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against any Party.

f. Assignment. This Interlocal Agreement may not be assigned, in whole or in part, by any Party without the prior written consent of the other Party.

g. No Third Party Beneficiaries. This Interlocal Agreement is solely for the benefit of the School Board and the County and no right or cause of action shall accrue upon or by reason of, to or for the benefit of any third party not a formal party to this Interlocal Agreement. Nothing in this Interlocal Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the School Board and the County any right, remedy, or claim under or by reason of this Interlocal Agreement or any of the provisions or conditions of this Interlocal Agreement; and all of the provisions, representations, covenants, and conditions contained in this Interlocal Agreement shall inure to the sole benefit of and shall be binding upon the School Board and the County, and their respective representatives, successors, and assigns.

h. Severability. The invalidity or unenforceability of any one or more provisions of this Interlocal Agreement shall not affect the validity or enforceability of the remaining portions of this Interlocal Agreement or any part of this Interlocal Agreement that is not held to be invalid or unenforceable.

i. Governance and Venue. This Interlocal Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Venue for any dispute shall be in Miami-Dade County, Florida. Disputes arising from this agreement are subject to and must adhere to the provisions of Chapter 164 of the Florida Statutes, the "Florida Governmental Conflict Resolution Act."

j. Joint Defense. In the event that the validity of this Agreement is challenged by a third party or parties unrelated to the Parties through legal proceedings or otherwise, the Parties hereto agree to cooperate with each other in defense of this Agreement, with the School Board to bear attorneys' fees and costs associated with such defense.

k. Time of the Essence. The parties acknowledge that time is of the essence in the performance of all obligations required hereunder and all "days" referenced herein shall be deemed "business days" unless otherwise specifically set forth.

l. Authorization. The execution of this Interlocal Agreement has been duly authorized by the School Board and the County. The School Board and the County have complied with all the requirements of law in connection with the execution and delivery of this Interlocal Agreement and the performance of their respective obligations hereunder. The School Board and the County have full power and authority to comply with the terms and provisions of this instrument.

m. Headings for Convenience Only. The descriptive headings in this Interlocal Agreement are for convenience only and shall not control or affect the meaning or construction of any of the provisions of this Interlocal Agreement.

n. Counterparts. This Interlocal Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute but one and the same instrument.

Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

***Approved by the School Board of Miami-Dade County  
on October 17, 2007, Agenda Item H-2.***

***Approved by the Miami-Dade Board of County  
Commissioners on December 18, 2007,  
R-1387-07.***

## The Office takes great pride in maintaining Intergovernmental Relationships

American Society of Public Administrators  
 Association of Inspectors General  
 Association of Certified Fraud Examiners  
 Bank Atlantic Corporate Security  
 Broward County Clerk of Courts - Civil Records  
 Broward County Property Appraiser  
 Broward State Attorney's Office  
 City of Chicago, OIG  
 Chicago Public Schools, OIG  
 City of Miami  
 City of Miami Beach Building Department  
 City of Miami Beach Police Department  
 City of North Miami Beach  
 Commission for Florida Law Enforcement Accreditation (CFA)  
 District of Columbia, OIG  
 Federal Bureau of Investigation  
 Financial Institutions Security Association  
 Florida Atlantic University's Public Procurement Research Center  
 FL Agency for Workforce Innovation, OIG  
 FL Attorney General's Office, OIG  
 Florida Bar Association  
 FL Comptroller's Office, Criminal Investigations Division  
 FL Council of State Agency IGs  
 FL Department of Agriculture and Consumer Services  
 FL Department of Business and Professional Regulation  
 FL Dept. of Children & Family Services  
 FL Department of Elder Affairs, OIG  
 FL Dept. of Environmental Protection, OIG  
 FL Dept. of Financial Services  
 FL Division of Insurance Fraud  
 FL Dept. of Law Enforcement  
 FL Dept. of Law Enforcement, OIG  
 FL Department of Revenue  
 FL Dept. of State Division of Corporations

FL Dept. of State-Licensing Division  
 FL Dept. of Transportation, OIG  
 Florida International University  
 FL Medicaid Fraud Control Unit  
 FL Office of the Chief Inspector General  
 FL Office of Statewide Prosecution  
 FL Police Accreditation Coalition (FLA-PAC)  
 Illinois Reform Commission  
 Internal Revenue Service  
 Interpol  
 Institute of Internal Auditors  
 Los Angeles Unified School District, OIG  
 Louisiana OIG  
 Miami-Dade County Commission on Ethics and Public Trust  
 Miami-Dade Police Department  
 Miami-Dade Society of Civil Engineers  
 Miami-Dade State Attorney's Office  
 Miami-Lakes Chamber of Commerce  
 Miami-Lakes Rotary Club  
 Miramar Police Department  
 Monroe County State Attorney's Office  
 NASA Office of the Inspector General  
 National Institute of Ethics  
 National Watchdog Association  
 Ohio OIG  
 Palm Beach State Attorney's Office  
 South Florida IG Council  
 U.S. Attorney's Office, Southern District of Florida  
 U.S. Dept. of Health & Human Services  
 U.S. Dept. of Homeland Security, OIG  
 U.S. Department of Housing and Urban Development, OIG  
 U.S. Department of State  
 U.S. Department of Transportation, OIG  
 U.S. Justice Department  
 University of Miami School of Law's Center for Ethics & Public Trust

# *A Message from the Inspector General*



The role of the Inspector General's Office as an independent, autonomous county "watchdog" agency is amply demonstrated and documented in our 2008 Annual Report. As you can see, we have saved the county substantial amounts of money and prompted numerous reforms and corrections in the administration of many contracts and programs. Nevertheless, despite our past successes and achievements, we must look forward to the remainder of 2009. Our tasks are significant. For instance, the Office of the Inspector General has been contractually charged with construction oversight responsibilities of the anticipated new baseball stadium for the Florida Marlins, a \$544.5 million dollar project. The Office of the Inspector General will also closely monitor the expenditures of substantial federal stimulus money by the County. And, by agreement between the County and the School Board, our office has assumed the role of Inspector General for the Miami-Dade County Public Schools. In that capacity, we continue our efforts to infuse and institutionalize an IG office presence at the fifth largest school district in the country—a district operating with a \$5.3 billion budget.

I hope you take the opportunity to review our annual report. I think you will find it rewarding. And I encourage you to continue supporting our efforts to detect and prevent fraud, waste, abuse, and mismanagement in our county programs, particularly at the juncture of a historic economic downturn where we must be even more vigilant in spending tax dollars.

Sincerely,

Christopher R. Mazzella  
Inspector General







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# 2008 Annual Report



Miami-Dade Office of the Inspector General