



Memorandum



Miami-Dade County Office of the Inspector General
A State of Florida Commission on Law Enforcement Accredited Agency
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To: The Honorable Carlos Alvarez, Mayor, Miami-Dade County
The Honorable Chairperson, Joe A. Martinez,
and Members of the Board of County Commissioners, Miami-Dade County

From: Christopher Mazzella, Inspector General

Date: March 16, 2011

Subject: County Vendor Arrested for Forging Documents

Attached is a press release regarding the arrest of Miami-Dade County vendor Nelson Ricardo Diaz. Diaz, 40, was arrested on charges of Forgery and Uttering a Forged Instrument following a joint investigation by the Office of the Inspector General (OIG) and the Miami-Dade State Attorney's Office (SAO).

Diaz, the owner and operator of Diaz & Russell, a construction company, was a pre-qualified firm in the Miami-Dade County Miscellaneous Construction Contract (MCC) Program. The MCC Program is designed to increase contracting opportunities for small to medium construction firms and expedite the contracting process for County departments. Under the program, County departments can request bids from firms in the various pools (i.e., construction trades) and can award the work at the department level. To remain pre-qualified, Diaz needed to submit current insurance certificates and meet other requirements.

The OIG investigation found that Diaz falsified numerous certificates and submitted them to the Risk Management Division of the General Services Administration (GSA). The forged certificates allowed him to remain qualified and eligible for County contracts.

The Inspector General is grateful to the Risk Management employees who alerted the OIG to the matter and for their cooperation throughout the course of the investigation.

cc: George Burgess, County Manager
Ysela Llort, Assistant County Manager
Wendi Norris, Director, General Services Administration
George Navarrete, Director, Office of Capital Improvements
Charles Anderson, Commission Auditor
Clerk of the Board (Copy Filed)



Miami-Dade County
OFFICE OF THE INSPECTOR GENERAL
Christopher R. Mazzella, Inspector General
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Miami-Dade County Vendor
Qualified for County Work Using Forged Documents

The Miami-Dade County Office of the Inspector General (OIG) announces today the arrest of Nelson Ricardo Diaz (Diaz), a vendor with the Miami-Dade County Miscellaneous Construction Contract (MCC) Program. The OIG conducted the investigation jointly with the Miami-Dade State Attorney's Office (SAO). Diaz, 40, a resident of Cooper City, FL, is the president of Diaz & Russell Construction Company (Diaz & Russell). Diaz was charged with eight (8) counts of Forgery and eight (8) counts of Uttering a Forged Instrument, all third degree felony charges.

Diaz & Russell was a pre-qualified construction firm in the MCC Program. Through the MCC Program, Miami-Dade County departments can request bids for construction projects not exceeding \$2.5 million from pre-qualified firms and can award the projects at the department level. The Program is designed to increase contracting opportunities for small to medium construction firms and expedite the contracting process for County departments. Departments can also access the MCC pre-qualified pools for emergency work. Among the various pre-qualification requirements vendors must maintain certain types and amounts of insurance. Additionally, vendors must periodically submit insurance certificates as proof of insurance to the General Services Administration (GSA), Risk Management Department.

In September of 2009 the OIG began the investigation after Risk Management employees discovered fraudulent insurance certificates submitted by Diaz & Russell. The OIG investigation uncovered that Diaz, on behalf of his company, submitted falsified certificates of insurance. The certificates attested to coverage Diaz & Russell did not have and contained inaccurate or altered information. As a result of the forged documentation, Diaz & Russell remained a pre-qualified vendor and was awarded County contracts. Since 2008, Diaz & Russell has received \$52,299 from the County for various projects completed.

Inspector General Chris Mazzella noted that the insurance requirements protect the County from any losses or negligent action by vendors. He stated that Diaz' actions in falsifying the insurance certificates puts at risk the taxpayer's funds and the public trust. The OIG would like to thank the personnel at GSA Risk Management for their referral and ongoing cooperation in this investigation.

Copies of the arrest affidavit are available at the OIG's offices at 19 W. Flagler Street, Suite 220, Miami, FL, telephone number (305) 375-1946, or at 1500 Biscayne Blvd., Suite 234K, Miami, FL, telephone number (305) 523-0623, or at the State Attorney's Office, c/o Ed Griffith, 1350 N.W. 12 Avenue, Miami, FL, telephone number (305) 547-0535.