



Memorandum



Miami-Dade County Office of the Inspector General
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To: Eulois Cleckley, Director and Chief Executive Officer
Department of Transportation and Public Works

From: Felix Jimenez, Inspector General 

Date: March 31, 2022

Subject: Receipt of Status Report and Closure to OIG Audit of DTPW's Use of Contract No. 5745-2/14-2:2 Bus Parts and Repair Services for Transit Buses; Ref: IG18-0006-A

The Office of the Inspector General (OIG) issued a final audit report concerning the Department of Transportation and Public Works' (DTPW) use of the above-noted contract. That report contained three recommendations, all of which were accepted by DTPW. In our final report, we requested that DTPW provide a 120-day status report advising of the implementation status of our recommendations. We received DTPW's status update (attached) and are satisfied that the recommendations are being fully implemented.

In DTPW's response to the OIG's draft report, the Department advised that it would be implementing new forms and processes to address the deficiencies noted during the audit. The OIG requested this follow-up status report to assess DTPW's implementation of the recommendations, including its development of the new forms.

To address the decision-making process for the procurement of bus repairs and services, the OIG recommended the creation of an originating document to capture the original diagnosis, services to be performed, consideration of warranties and OEM parts, and in-house repair capabilities. This document would then guide the Procurement Specialist in soliciting competitive quotes or sole-source repairs. In response to the OIG recommendation, DTPW created the *Bus Maintenance Request for Service Form*. This form requires a Materials Management technician to document the above-described conditions. The form is then signed by a Materials Management supervisor and a copy is forwarded to the Purchasing Specialist, who then documents the competitive process and maintains the form in the bus repair file. We have reviewed the attached *Service Form* and find that it sufficiently implements our recommendation.

To improve compliance with the contract roadmap, the OIG recommended the development of a checklist to document that all the necessary steps of the roadmap were followed. In response DTPW has implemented the *Goods and Service Checklist*. We have reviewed the new *Checklist* and find that it captures all the necessary steps required

of the requisition and the Invitation to Quote process. DPTW identified that training was administered to ensure proper completion of the form.

In its follow-up response, DTPW further indicated that staff was trained to ensure that all executed purchase orders are specific and not blanket purchase orders. DTPW further advised that as of July 2020, the inception of the new bus parts and repair contract, FB-01316, no blanket purchase orders have been executed.

The OIG is pleased that DTPW's Quality Assurance Division will be monitoring the newly implemented processes to determine compliance with the OIG's recommendations. By way of this memorandum, the OIG advises that our audit of the above-captioned subject is complete and, as such, this audit is closed.

Attachment

cc: Jimmy Morales, Chief Operating Officer, Office of the Mayor
Robert Villar, Assistant Director, Financial Services, DTPW
Derrick Gordon, Assistant Director of Bus Services, DTPW
Ana Rioseco, Chief, Procurement Goods and Services Division, DTPW
Carlos De La Torre, Chief, Performance Analysis, DTPW
Lazaro R. Palenzuela, Chief, Quality Assurance, DTPW
Omar Massiah, Superintendent, Warehousing & Stores, DTPW
Cathy Jackson, Director, Audit and Management Services Department
Yinka Majekodunmi, Commission Auditor, Office of the Commission Auditor
Jennifer Moon, Chief, Office of Policy and Budgetary Affairs

Memorandum



Date: March 4, 2022

To: Felix Jimenez, Inspector General
Office of the Inspector General

From: Eulois Cleckley, Director and CEO
Dept. of Transportation and Public Works 

Subject: DTPW Status Report to the OIG Audit Report IG18-0006A

This is a status report on the Inspector General (OIG) review of the Department of Transportation and Public Works (DTPW) use of Contract No. 5745-2/14-2:2 (Bus Parts and Repair Services for Transit Buses). DTPW has reviewed the final report, and incorporated processes and procedures to address the recommendations and suggestions.

The primary objective of the audit was to assess DTPW's compliance with contractual terms and conditions, including compliance with this contract's roadmap, which guides departmental level purchasing agents and buyers on how to obtain price quotes from vendors in the pool. Additionally, the audit evaluated DTPW's maintenance of purchasing records identifying the criteria used to select the pre-qualified firms, the types of items ordered, or services rendered, and that the payments reflect the shipment received or services performed.

OIG Recommendations No. 1 for Materials Management

The OIG recommends that DTPW Materials Management Division create an originating document or form similar to the "Bus Failure Form" that documents the original diagnosis, service to be performed and consideration of warranties, Original Equipment Manufacturer (OEM) and whether the department itself has the resources to service the bus internally. If the competitive strategy, seeking competing quotes, is not being used, the document/form should specifically state so. A copy of the document/form would then be sent to the purchasing specialist, who could then document the competitive process as necessary and include this documentation in the file.

DTPW's Action Plan Status

The DTPW Materials Management Division created an originating form, similar to the "Bus Failure Form", that documents the original diagnosis, service to be performed and consideration of warranties (see Bus Maintenance Request for Service Form in attachment 1). A copy of the form will be sent to the purchasing specialist, who will then document the competitive process as necessary and include this documentation in the file.

OIG Recommendations No. 2 for Procurement Goods and Services

In light of the level of noncompliance with the contract roadmap, the OIG recommends that DTPW create a checklist to be filled out by the purchasing specialist to document that all necessary steps of the contract roadmap were taken. The checklist might include a listing of those vendors sent the Invitation to Quote (ITQ), the closing date, the vendors that responded, and the date/time received, etc. Such a checklist would be a good management tool for supervisory review. While the successor contract's Group 1 has fixed pricing, we believe that such a checklist will be of benefit to Group 2 and 3 purchases, as well as ITQ on pool contracts in general.

DTPW's Action Plan Status

Procurement Goods and Services Division created a checklist (see Goods and Service Checklist in attachment 2) that is filled out by the Purchasing Specialists. Additionally, training was administered on how the Purchasing Specialists are to complete the checklist as per the OIG recommendations (see training sign-in sheet in attachment 3).

OIG Recommendations No. 3 for Procurement Goods and Services

In light of the County's transition to INFORMS for purchasing and accounts payable, DTPW should reduce its use of Blank Purchase Orders (BPOs). Purchase Orders (POs) should be created for each requisition and should reflect the quoted prices and quantities from the ITQ. The OIG notes that under the INFORMS system, BPOs are only allowed for services and only for the active fiscal year. While this new policy covers the Group 1 Pos and invoices, DTPW should issue POs that match the quoting process, whether the purchase is for parts or services.

DTPW's Action Plan Status

The DTPW conducted training indicating that all executed purchase orders are specific and not blanket releases see training sign-in sheet in attachment 3). It should be noted that under the new FB-01316 Bus Contract, effective 07/01/20, no BPOs have been executed.

The DTPW Quality Assurance Division will be responsible for auditing each of the items mentioned in this memo to confirm the implementation of the proposed action plans.

The DTPW would like to thank you for the opportunity to address the audit report and would like to thank your staff for their thoroughness exhibited throughout the audit process. Should you have any additional questions, please feel free to contact Mr. Robert Villar, Assistant Director, Financial Services at 786-469-5168.

Attachments

- c: Jimmy Morales, Chief Operations Officer Office of the Mayor
- Robert Villar, Assistant Director, Financial Services, DTPW
- Derrick Gordon, Assistant Director of Bus Services, DTPW
- Ana Rioseco, Chief, Procurement Goods and Services Division, DTPW
- Carlos De La Torre, Chief, Performance Analysis, DTPW
- Lazaro R. Palenzuela, Chief, Quality Assurance, DTPW
- Omar Massiah, Superintendent, Warehousing & Stores, DTPW

Attachment 1

DTPW MAINTENANCE REQUEST FOR SERVICES

TO: Materials Management

DATE: _____

IMPORTANT: Read the instructions below

- This request for service must be filled out electronically by Bus Maintenance
- Email this request to Materials Management and Bus Maintenance Administrative staff, Division Superintendent, Division Supervisors, Division PC

DIVISION: SELECT DIVISION _____ **BUS #:** _____
EAMS WO#: _____ **VIN #:** _____
FAILURE DATE: _____ **LTD MILES:** _____
***ENGINE S/N:** _____ ***TRANS S/N:** _____

CAN BUS BE DRIVEN?	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>	SYSTEM FAILED	*ENG	<input type="checkbox"/>	*A/C	<input type="checkbox"/>	OTHER	<input type="checkbox"/>
						*TRANS	<input type="checkbox"/>	OEM	<input type="checkbox"/>		

FAILURE DESCRIPTION	
DIAGNOSIS/CODES	
COMMENTS	

DIAGNOSED BY: _____
PRINT TECHNICIAN NAME

VERIFIED BY: _____
PRINT SUPERVISOR NAME

RESOURCES AVAILABLE TO PERFORM WORK IN-HOUSE	NO
VEHICLE UNDER WARRANTY	NO
CAN WORK BE DONE BY MULTIPLE VENDORS	NO
NOTES / COMMENTS	

TO BE COMPLETED BY PROCUREMENT

REQUISITION #		
PURCHASE ORDER #		
NOTES / COMMENTS		

Attachment 2

Department of Transportation and Public Works (DTPW) - Goods and Services

DATE:	
PURCHASING SPECIALIST:	
CONTRACT NO.:	FB-01316 - TRANSIT BUS PARTS AND SERVICES

(A) REQUISITION(S)	CHECKLIST					
	<i>Awarded under GROUP 1 (Create a PO)</i>		<i>By Brand under GROUP 2 (ITQ)</i>		<i>Repair Service by Brand or Type under GROUP 3 (ITQ)</i>	
<i>Gather your requisition(s) and review description, comments, brand name and part number to determine if you have to proceed with a PO or an ITQ.</i>						
	<i>Bus Down (BD) Expedite (EX) Critical (CR) General (GEN)</i>		<i>Warranty (W) Repairable (RP) Procurement (PR)</i>			
<i>Identify the state of urgency of the requisition, and the type.</i>						
(B) ITQ	<i>Expedite</i>	<i>Non-Expedite</i>	<i>One Brand Or One Type of Service</i>	<i>Multiple Brands Or Repair Service</i>	<i>One Vendor</i>	<i>Multiple Vendors</i>
<i>Due Date</i>						
List of Vendors that Responded	<i>Date RCVD</i>	<i>Time RCVD</i>		<i>Late (Yes or No)</i>		

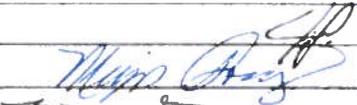
Attachment 3

Discussion on Observation Regarding OIG Recommendation No. 2 (Checklist):

- All abbreviations being utilized on checklist EXCEPT (PR) for procurement.
- Ensure document is dated and notes on file are dated accordingly.
- No white out, correction tape or scribbles on documents.
 - Preferable a line straight across and then initial.

Discussion on Observation Regarding OIG Recommendation No. 3 (Reduction of Blanket releases):

- Consistent to past training, discussions and workload reviews, all executed purchase order are SPECIFIC and not BLANKET RELEASES (except for 5745 Bus Parts and Repairs)
- New FB-01316 Bus Contract Effective 07/01/20 only has specific executed purchase orders. There are not Blanket Releases.
- The implementation of Informs does not allow Blanket Releases.

October 25, 2021 9am - 10 am Meeting		
Audit QAA-01-21/22 OIG Report IG18-0006-A 8-18-2021 Verification of Implementation Bus Contract Checklist		
Employee	Employee number	Signature
Ana Rloseco	E23746	Host
Max Previlon	E325805	
Meyvis Gomez	E328319	
Yvette Gilbert	E323563	
Zolla Campos Rosales	E322769	
Roberto Hernandez	E325373	
Crystal Williams	E316907	
Wendy Morales	E328317	
Angela Mathews-Tranum	E313658	
Sharon Walker	E6965	