

MIAMI-DADE COUNTY



2020 ANNUAL REPORT

OFFICE OF THE INSPECTOR GENERAL



MESSAGE FROM THE INSPECTOR GENERAL

I am pleased to present the Office of the Inspector General's 2020 Annual Report. Unlike previous annual reports, this one is being published during a pandemic. Despite this unprecedented time, the mission of the Office has remained unchanged. We have continued to work diligently to root out waste, fraud and abuse, even as the first dosages of the coronavirus vaccine are being administered to frontline healthcare workers, first responders and those in the highest risk categories.

The pandemic has not stopped us from doing our important work, however, it has caused us to alter much of the way we do our work. Since March, like many in government, our staff has been teleworking resulting in many more virtual meetings and interviews. Our efforts over the past several years to implement electronic business management systems allowed us to continue our work in a virtually paperless environment. This foresight not only made us more efficient, it paved the way for the continuity of our operations while protecting our staff, other County employees, and the public during this time of social distancing. We have conducted reviews of programs related to the County's response to the pandemic and stand ready to respond to any fraud allegations pertaining to government relief programs. Much like the rest of County government, we have adapted to a new normal. Consistent with our initiative, and as a cost-saving measure, this annual report is being issued in a digital format only.

In August, an Ad Hoc Selection Committee recommended me to the Board of County Commissioners as the new Inspector General succeeding Inspector General Mary Cagle who retired this year. Under her leadership, the Office moved to a new, more productive workspace, implemented an automated case management system, shepherded the employee protection program, and introduced robust strategic planning initiatives. These are but a few of her many accomplishments and I am privileged to consider her a mentor and a friend. I am humbled and thankful for the appointment, and I am committed to continuing the work of this Office.

This year we also saw major changes to the County's governing body, making history in the process. I welcome the newly elected mayor and commissioners to the Board and look forward to providing our elected officials with timely and valuable information to assist them in making their decisions. We will continue conducting active procurement monitoring and other oversight activities and will also continue our investigations and audits with the goal of making actionable and reasonable recommendations that provide practical solutions to make government better.

The milestones did not end with the changes to the governing body. On November 3, 2020, the voters of Miami-Dade County approved the Home Rule Charter Amendment to establish an independent Office of the Inspector General (OIG). Created by ordinance before the Charter Amendment was adopted, the OIG could have been abolished by a 2/3rd vote of the entire County Commission. By inserting the OIG into the Home Rule Charter, any effort to abolish the Office will now be subject to a referendum question submitted to the voters. By approving this Charter Amendment, the voters have given this watchdog agency greater independence to perform its mission. We are grateful for the public's support.

Finally, I want to thank the talented and dedicated staff of the OIG and our stakeholders. Their combined efforts produce the results that increase the public's trust.

As we reflect on a year like no other, we look forward to recovery, renewal, and hope.

Sincerely,

Felix Jimenez

TABLE OF CONTENTS

About This Report	2
Mission-Vision-Values	2
Organization of the OIG	3
The OIG Budget	4
Milestones and Achievements	5
Complaints Are The Key Factor	6
Reporting Fraud.....	6
Investigations Unit Highlights and Summaries.....	7
Arrests.....	8
Prosecutions and Sentencings.....	9
Settlements.....	10
Reviews and Terminations.....	12
Contract Oversight Unit Highlights and Summaries.....	14
Audit Unit Highlights and Summaries.....	29
OIG Performance, Accountability, Savings and Efficiency	34
Appendix: Code of Miami-Dade County, Sec. 2-1076	
Office of the Inspector General	35

ABOUT THIS REPORT

The Office of the Inspector General's (OIG's) Annual Report highlights the investigations, audits and reviews concluded during the past year. It is produced in accordance with our statutory obligation to prepare and submit an annual written report. These results, whether in the form of financial savings, operational improvements, fraud prevention or fraud detection, are all aimed with one goal in mind—promoting accountability and transparency in Miami-Dade County government operations and services.

As an independent agency responsible for preventing and investigating fraud, waste and abuse throughout County government, the OIG is rigorous in its commitment to accountability. The content of this report will hopefully inspire County employees, business owners, executives, contract workers, lobbyists and citizens to report wrongdoing.

The Annual Report also serves to provide readers with an understanding of how this Office operates and the type of work that we perform. It describes how we conduct investigations, audits and contract oversight. It describes the complaint intake process and how inquiries and cases are initiated. It explains the importance of our attorneys and administrative staff who form the foundation for much of the other work of the office. It highlights this Office's mission, vision and values, and provides concrete examples of their collective advancement.

MISSION - VISION - VALUES



ORGANIZATION OF THE OIG



With Inspector General Felix Jimenez at the head of the organization, his executive team includes Assistant Inspector General for Investigations Shelby J. Williams, General Counsel Patra Liu, Deputy General Counsel Marie Perikles and Audit Manager James Schlotzhauer.

Assistant Inspector General for Investigations Shelby J. Williams leads the Investigations Unit with three squads of experienced Special Agents supported by a team of skilled Investigative Analysts. When investigations of fraud, waste and abuse of authority reveal criminal wrongdoing, the Assistant Inspector General for Investigations coordinates with state and federal criminal prosecutors to shepherd OIG cases to a successful legal resolution.

The OIG Legal Unit is headed by General Counsel Patra Liu and Deputy General Counsel Marie Perikles and consists of three additional attorneys. The Legal Unit provides continuous support and guidance to all OIG personnel from the moment a complaint is received to case closure, which oftentimes involves the issuance of public reports and memoranda. OIG attorneys provide counsel on jurisdictional questions and help assess the strengths and weaknesses of OIG cases for potential civil, administrative or criminal implications. OIG attorneys review all subpoenas issued by the Inspector General, and all public reports prior to release. General Counsel Patra Liu also manages the OIG's Contract Oversight Unit. The Unit's four Contract Oversight Specialists are deployed countywide. Their work includes active monitoring and random inspections of contracting and construction activities to ensure fairness in the procurement process and compliance with contract specifications.

Audit Manager James Schlotzhauer leads the Audit Unit, which consists of a team of certified professionals with a wide range of government and private sector experience. The Audit Manager formulates the OIG's annual Strategic Work Plan and oversees audits, inspections and reviews. The Audit Manager frequently coordinates with the Investigations Unit and/or Contract Oversight Unit. All three units work together to advance the mission of the Office.

THE OIG BUDGET

In Fiscal Year 2019-2020, the Miami-Dade County Office of the Inspector General was authorized a budget of \$6.7 million to fund 38 positions and all operating and capital expenses. The OIG receives its funding from three distinct sources: 1) a formula fee assessed on County contracts, 2) negotiated payments from County departments seeking dedicated OIG resources and 3) an allocation from the General Fund. Combined, the financial resources dedicated to the OIG are less than 0.1% of the overall County budget. In FY 2019-2020, the County's overall adopted budget was \$8.9 billion and its workforce comprised of 28,409 employees.

FY 2019 - 20 Adopted Budget and Multi-Year Capital Plan

OPERATING FINANCIAL SUMMARY

(dollars in thousands)	Actual FY 16-17	Actual FY 17-18	Budget FY 18-19	Adopted FY 19-20
Revenue Summary				
General Fund Countywide	834	1,174	721	1,631
Carryover	2,102	1,589	1,400	565
Departmental Oversight (MOUs)	826	669	800	825
Fees and Charges	3,460	3,941	3,450	3,700
Interest Earnings	11	36	0	0
Miscellaneous Revenues	29	36	0	0
Total Revenues	7,262	7,445	6,371	6,721
Operating Expenditures Summary				
Salary	4,172	4,261	4,648	4,932
Fringe Benefits	1,173	1,262	1,425	1,496
Court Costs	0	0	2	1
Contractual Services	0	0	2	2
Other Operating	160	133	183	184
Charges for County Services	85	85	68	62
Capital	83	33	43	44
Total Operating Expenditures	5,673	5,774	6,371	6,721
Non-Operating Expenditures Summary				
Transfers	0	0	0	0
Distribution of Funds In Trust	0	0	0	0
Debt Service	0	0	0	0
Depreciation, Amortizations and Depletion	0	0	0	0
Reserve	0	0	0	0
Total Non-Operating Expenditures	0	0	0	0

(dollars in thousands)	Total Funding Budget FY 18-19	Total Funding Adopted FY 19-20	Total Positions Budget FY 18-19	Total Positions Adopted FY 19-20
Strategic Area: General Government				
Inspector General	6,371	6,721	38	38
Total Operating Expenditures	6,371	6,721	38	38

MILESTONES & ACHIEVEMENTS

APPOINTMENT OF THIRD IG IN OIG'S HISTORY

Pursuant to County Ordinance and to ensure independence, the new Inspector General was selected by an Ad Hoc Selection Committee made up of the State Attorney, Public Defender, Chair of the Commission on Ethics, President of the Miami-Dade County Association of Chiefs of Police and the Special Agent in Charge of the FDLE Miami Regional Office. The Committee selected Felix Jimenez as the incoming IG. On August 31st the Board of County Commissioners, in a unanimous vote confirmed his appointment. Mr. Jimenez is the third IG in the office's history for the County and the School District.

HOME RULE CHARTER AMENDMENT APPROVED

On November 3, 2020, the voters of Miami-Dade County approved the Home Rule Charter Amendment to establish an independent Office of the Inspector General. By a favorable margin of 78.40%, the OIG is now officially established in the Home Rule Charter. Created by ordinance, before the Charter Amendment was adopted, the OIG could have been abolished by a 2/3 vote of the entire County Commission. By inserting the OIG into the Home Rule Charter, any effort to abolish the OIG will now be subject to a referendum question being submitted to the voters. By approving this Charter Amendment, the voters have given this watchdog agency greater independence to perform its mission. We are grateful for the support.



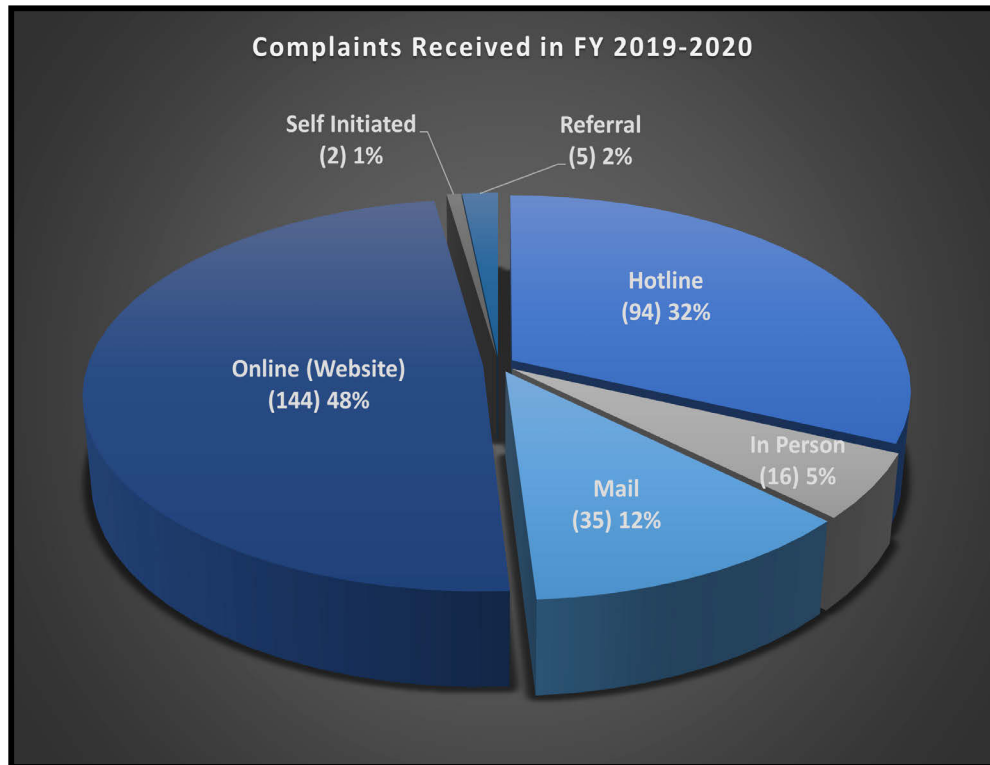
Mary Cagle, James Mazer and Felix Jimenez

COMMISSION FOR FLORIDA LAW ENFORCEMENT ACCREDITATION (CFA) EXECUTIVE DIRECTOR AWARD

This year, the OIG's Accreditation Manager, Supervisory Special Agent James Mazer, was selected by the CFA to receive one of its highest honors—the Executive Director Award for 2019. The Executive Director Award honors individuals for exceptional contributions that have significantly advanced Florida Accreditation during the past year. It recognizes individuals who demonstrate a dedication to the accreditation process and have gone above and beyond the call of duty to assist the Commission, CFA staff and other accreditation professionals to improve Florida's accreditation process for the law enforcement and inspector general communities. Throughout his career, SSA Mazer has assisted other local, state and national offices of inspectors general in their efforts towards accreditation and peer review.

COMPLAINTS ARE THE KEY FACTOR

An overwhelming majority of cases opened each year, over 90%, are developed from complaints received from concerned citizens, county employees and county vendors. Other cases are opened based on related investigations, audits or are the result of routine oversight. Clearly, complaints are a vital source of information for the Office.



The OIG logged in 296 complaints in FY 2019-2020. Of those, 94 were received through our hotline, 35 were received by mail or fax, 144 were made using our website's online complaint form, 16 were received from individuals who came to our office, 5 were referrals from other agencies and 2 were selfinitiated. If a complaint is sufficiently detailed to merit immediate attention, without the need to open a case for investigation, the information is referred to the appropriate authorities for direct action. In these instances, the OIG requests a written response documenting the resolution of the complaint.

To properly account for all referred complaints, the OIG maintains a log of the complaints routed to the administration and closely monitors responses. Based upon the response, the OIG may close the complaint, return it to the administration for additional clarification or open an investigation into the matter. The OIG strives to provide complainants with timely feedback of their complaint's status.

REPORTING FRAUD

Tips received from citizens, County employees, vendors, contractors and subcontractors have resulted in many of the administrative investigations, criminal cases, audits and reviews featured in our annual reports. Individuals can report their complaints to the OIG without fear of consequences. Complaints can be taken over the phone, by email, through our website, our hotline or in person. In person meetings can be at the OIG office or a convenient location away from government facilities. Whistleblowers may remain confidential.

INVESTIGATIONS UNIT HIGHLIGHTS AND SUMMARIES

The Investigations Unit works toward the OIG's mission by conducting investigations of fraud, waste, abuse and misconduct related to County programs, operations, contracts and employees. OIG Special Agents have a wide variety of experience from federal, state and local law enforcement and regulatory agencies. They are well trained in white collar, financial fraud and public corruption investigations. The Investigations Unit coordinates with the Miami-Dade State Attorney's Office and other law enforcement authorities to leverage resources and fraud-fighting efforts. OIG investigations often result in criminal prosecutions, monetary recoveries, administrative personnel actions, corrective measures and process improvements implemented by County officials.

Directly supporting investigations, through intelligence gathering and analytical support, is the Analyst Unit. OIG Investigative Analysts are dedicated to maintaining relationships with organizations such as the Financial Institution Security Association and the Florida Department of Law Enforcement. OIG Investigative Analysts are also tasked with the responsibility of conducting criminal background checks on individuals nominated by County Commissioners to serve on an advisory board. These OIG-performed checks are a requirement of County Ordinance No. 09-95. In 2020, 79 criminal history background checks were conducted. The Investigative Analysts also manage the OIG hotline that allows the public, stakeholders and others to report suspected fraud, waste and abuse.

During this past fiscal year, numerous investigations were completed pertaining to fraud, unauthorized outside employment, low-income housing fraud, procurement violations and schemes to defraud. In the following pages we describe some of these cases.



ARRESTS

FORMER CLERK OF COURTS EMPLOYEE ARRESTED FOR CREATING BOGUS AND FORGED COURT RECORDS TO CONCEAL THEFT OF FINES AND FEES

A longtime Miami-Dade County Clerk of the Courts (COC) employee was arrested for creating false and forged documents to conceal his theft of traffic citation fines and court fees. Acting on a complaint from the COC, a joint investigation between the OIG and the State Attorney's Office resulted in the arrest of the 16-year County employee. The COC employee, a Courtroom Clerk 1, was assigned to the Traffic/Misdemeanor Division, Traffic Information Unit in Hialeah, Florida. The investigation found that the Clerk prepared false documents, including payment plan agreements and requests for trial, for four customers attempting to pay traffic citation fines.

Some of the phony payment and court documents contained the forged signatures of the customers. All four customers paid cash, allowing the Clerk to pocket most of the cash and record only a small amount as fines and fees in the COC payment transaction records. The customers, who believed they had paid their fines and fees in full, were left with their matters pending and subject to license suspension. The Clerk was arrested on felony charges of Official Misconduct, Forgery, Grand Theft and Organized Scheme to Defraud.

COUNTY CONTRACTOR, CORPORATION AND OFFICE MANAGER CHARGED IN SCHEME TO DEFRAUD COUNTY IN TWO MULTI- MILLION DOLLAR CONSTRUCTION PROJECTS

An OIG investigation, jointly conducted with the State Attorney's Office, resulted in criminal charges against a County contractor's company, and the arrest of its owner and office manager for

creating false and forged insurance certificates to obtain county funds. The investigation was initiated based on referrals from the Internal Services Department, Division of Small Business Development (SBD) and the Department of Transportation and Public Works (DTPW). The initial referral from SBD involved issues of non-payment of responsible wages and the possible submission of fraudulent documents related to the construction of the Joseph Caleb Center Parking Garage, a \$10.5 million construction contract. The OIG was actively investigating those allegations, when we received the referral from DTPW alleging the submittal of fraudulent documents related to the construction of the University of Miami Metrorail Station Pedestrian Overpass Project, a \$3.8 million construction contract.

Both construction projects (the Caleb Garage and the Pedestrian Overpass) required the contractor to obtain certain builder's liability insurance that would be reimbursed by the County. The investigation determined that invoices, receipts and other documentation submitted to the County pertaining to the required insurance coverage were forged and fraudulently prepared. Fraudulent receipts were also prepared and submitted to the County as a means of seeking reimbursement.

The president/owner and the office manager of the company were charged with Organized Scheme to Defraud, Criminal Use of Personal Identification Information, Uttering a Forged Instrument and Grand Theft. The construction firm, the prime contractor on the two County projects, was also served with a corporate summons and charged with the same set of criminal offenses. The case is currently pending trial.

PROSECUTIONS AND SENTENCINGS

FORMER CHILDREN'S TRUST GRANT RECIPIENT CHARGED WITH FRAUD

An OIG investigation resulted in the filing of criminal charges against a former Children's Trust grant recipient and its program director. The charges were filed after a joint investigation with the Miami-Dade State Attorney's Office. The corporate vendor and its program director were each charged with the first-degree felonies of Organized Scheme to Defraud over \$50,000 and Grand Theft over \$100,000. They were also charged with the third-degree felony of Communications Fraud.

The Children's Trust was established by statute and County referendum; it funds grants for community-based, youth-program service providers. Miami-Dade County property owners fund the Children's Trust through a portion of property taxes to provide services for children in the community. The grant recipient's funded programs included a Youth After-School program and a Youth Enrichment summer camp program. The Children's Trust referred the case to the OIG after two former employees of the grant recipient reported fraudulent billing practices.

The OIG reviewed records from August 2013 through August 2017 and interviewed numerous employees billed to the grant. OIG analysis determined there were a variety of schemes to illegally obtain Children's Trust funds. The grant recipient electronically billed the Children's Trust for ghost students and employees via fake attendance data; electronically billed for ghost expenses via fake checks, electronic fund transfers and invoices; misclassified employees to obtain a higher rate of reimbursement and inflated employee salaries. In addition, the OIG found that the program director was kicked-back a large portion of funds. The kicked-back funds were employee salary payments made to the program director's mother under two different names.

Finally, the OIG found that the Children's Trust had been provided forged bank statements as part of the fraudulent schemes. In all, the Children's Trust paid almost \$300,000 via fraudulent billing practices. The case is currently pending trial.

CRIMINAL CHARGES FILED AGAINST FORMER MDAD EMPLOYEE FOR THEFT OF SUNPASS DEVICES

A joint investigation by the Office of the Inspector General and the Miami-Dade State Attorney's Office resulted in criminal charges filed against a former 19-year employee of the Miami-Dade Aviation Department (MDAD). The MDAD Finance Division employee was charged with Petit Theft and Exploitation of Official Position.

In November 2019, MDAD's Compliance Division referred information to the OIG for investigation. The information alleged that the employee fraudulently obtained two MDAD SunPass devices and used them without MDAD authorization. The OIG investigation substantiated these allegations. The investigation revealed that in 2014, the employee's duties required obtaining SunPass devices for MDAD's county vehicles. Two of the SunPass devices—linked to the MDAD account—ended up in the employee's personal cars.

The scheme came to light when MDAD conducted an inventory of outstanding SunPass transponders tied to its account. Two transponders could not be located in any MDAD vehicle, yet they were accruing toll expenses. MDAD referred the matter to the OIG. The OIG investigation found that from 2014 – 2019, the MDAD employee racked up \$4,187 in tolls debited to MDAD—50 cents at a time. This case is pending trial.

FORMER MDAD EMPLOYEE SENTENCED FOR FALSIFYING LOW- INCOME HOUSING APPLICATION

A Miami-Dade Aviation Department employee arrested on charges of Identity Theft, Uttering Forged Instruments and Wire Fraud following a joint investigation by the OIG and the Miami-Dade State Attorney's Office pled guilty and was sentenced this past February.

The OIG investigation found that the employee forged her supervisor's signature and falsified County payroll documents to qualify for low-income housing in Broward County. The documents uncovered by the OIG investigation fraudulently indicated that the employee's salary was under the low-income threshold when it was actually higher. As part of the sentence, the employee was ordered to pay costs of investigation to the OIG, to stay away from all MDAD properties and was banned from public employment for three years.

SETTLEMENTS

CONCESSIONAIRE SETTLES CRIMINAL INQUIRY INVESTIGATED BY THE OIG

A joint OIG and Miami-Dade State Attorney's Office criminal inquiry ended in a settlement agreement between a Miami-Dade Aviation Department concessionaire and the SAO. The OIG joint inquiry stemmed from a confidential complaint alleging the underpayment of opportunity fees owed to MDAD.

In 2018, the concessionaire entered into a 4-year Lease and Concession Agreement with Miami-Dade County to operate at Miami International Airport (MIA). The Agreement allowed the concessionaire to operate sales kiosks throughout MIA's passenger terminals and car rental center. The typical services and products sold at the kiosks included: SIM cards, pin phone cards and unblocked mobile phones for rent and sale.

The OIG investigation included a detailed financial analysis of the concessionaire's sales transactions and witness interviews. The OIG found that from January 2019 through April 2019, the concessionaire underreported over \$200,000 in gross revenues. This underreporting resulted in an opportunity fee arrearage exceeding \$30,000.

The OIG found that many of the transactions resulting in the underreporting were conducted in the name of an unregistered entity controlled by the concessionaire. The concessionaire cooperated with the investigation and paid the arrearage in full to MDAD. This past August, the concessionaire entered into a Settlement Agreement with the State of Florida. Without admitting any guilt or wrongdoing—and given that it had already paid the arrearage in full to MDAD—the SAO agreed to close the inquiry and take no further action. In exchange, the concessionaire agreed to officially register the previously unregistered entity as a fictitious name with the State of Florida to establish a dedicated bank account for business operations at MIA; allow for real-time monitoring of gross sales; and furnish its business records to the OIG for random inspections upon request. The OIG intends to monitor the concessionaire's activities at MIA as part of our continued oversight of MDAD's concessions program.



FORMER MDAD SERVICE PROVIDER SETTLES CRIMINAL INVESTIGATION

A joint investigation by the OIG and the Miami-Dade State Attorney's Office resulted in a Settlement Agreement between the State of Florida and a former Miami-Dade Aviation Department (MDAD) provider of remote parking shuttle services. The OIG investigation stemmed from an anonymous complaint detailing serious allegations of fraudulent billing practices, deficient renovations of an MDAD building by an unlicensed contractor and a lack of inventory controls resulting in possible loss to the County.

Since at least 1997, MDAD has retained an outside company to run its employee shuttle service. The company is a large, out of state corporation doing business at MDAD through its local arm. The contract, which is a management agreement, compensates the provider with a monthly management fee. All operating expenses, including payroll, office space and equipment are borne by MDAD.

As part of the investigation the OIG obtained and reviewed the Service Provider's reimbursement packages and discovered numerous falsified informal quotes or bids for renovation work on an MDAD building. By falsifying the bids, the Service Provider's local employees were able to ensure their favored contractor, who was not licensed to perform the renovation work, was chosen as the lowest bidder. The unlicensed contractor failed to obtain permits for the renovations, which totaled over \$70,000. Unsurprisingly, the renovations were shoddy and sub-par.

Although the criminal investigation was unable to determine beyond a reasonable doubt, which specific local employee committed the crimes, the investigation resulted in the Service Provider's local arm entering into a Settlement Agreement with the SAO. Without admitting any guilt to proposed charges of Organized Scheme to Defraud and Identity Theft, the local arm of the Service Provider agreed to voluntarily dissolve

and forever cease to exist or do business in the State of Florida. In addition, the Service Provider paid restitution, costs of investigation and agreed to institute a state-wide training program for administrative staff located in Florida, with a focus on best practices and ethics. Lastly, the Service Provider agreed not to contract with Miami-Dade County—as either contractor or subcontractor—from June 1, 2020 through March 31, 2022.

REVIEWS AND TERMINATIONS

FORMER BUS CLERK RUNS PRIVATE BUSINESS ON COUNTY TIME

The OIG initiated an investigation regarding complaints concerning a Miami-Dade County (County) Transportation and Public Works Bus Maintenance Control Clerk (Bus Clerk). The focus of the investigation was the allegation that the Bus Clerk was engaged in unauthorized outside employment as a track coach, committing timecard fraud and utilizing County equipment—such as a computer, printer and office supplies—for his private business.

The OIG investigation substantiated and revealed the Bus Clerk had been engaged in unauthorized outside employment, running his own business as a track coach since at least 2013. The OIG verified with the County Commission on Ethics & Public Trust (COE) that the Bus Clerk had never sought an opinion or waiver regarding outside employment with the County. The OIG also found the employee had not filed the required annual Outside Employment Statement.

As the substantiated allegation involved matters under the jurisdiction of the County's COE, it was provided with a copy of the report for its independent review. Further, the investigation also found that the Bus Clerk's organization engaged in the unregistered solicitation of funds. As such, a copy of the OIG report was provided to the Florida Department of Agriculture for its review.

WASD EMPLOYEE TERMINATED FOR ORDERING VENDOR TO ALTER UNIVERSAL WASTE MANIFESTS

The OIG initiated an investigation based on allegations made by a Miami-Dade Water and Sewer Department (WASD) employee against a

County vendor contracted to haul and dispose of waste batteries from various County facilities.

The employee, a Hazardous Waste Specialist working in WASD's Environmental Compliance Section, was tasked with monitoring and supervising the waste battery pickups. The employee provided documents to the OIG purportedly showing the vendor was doctoring universal waste manifests by altering the types and quantities of waste batteries picked up increasing the amounts submitted at invoicing.

The OIG investigated the allegations made by the WASD employee and interviewed the vendor and parties who had direct and indirect roles in the pickup, transportation and processing for disposal of the waste batteries. The OIG also reviewed records, emails and documentary evidence related to the allegations. The WASD employee's complaint to the OIG was unfounded.

The investigation found that it was the WASD employee who failed to supervise and verify the waste batteries and other items being disposed of at the time of pickup. The investigation revealed that revisions had been made to documents, but at the direction of the WASD employee to cover up for the employee's own mistakes and incompetence. The OIG submitted its findings to WASD. The department took disciplinary action against the employee, terminating the employee from County service. The OIG also determined that the vendor should have notified WASD management once it became aware of the employee's actions.

REVIEW OF SEAPORT DEPARTMENT PROCUREMENT SHEDS LIGHT ON NEED FOR TRAINING

The OIG initiated an investigation based on concerns brought to the OIG's attention by the County Seaport Department's (Seaport) Chief of Contracts and Procurement and Materials Management. The concerns involved the specification development of a Seaport construction project calling for the removal and replacement of four damaged High-Mast Light Poles (HMLPs) in the cargo area. HMLPs consist of ring assemblies using light-emitting diodes on a pole at least 98 feet tall to provide lighting over a large area. These four HMLPs had been damaged by Hurricane Irma and approval was sought from the Seaport Director to proceed with their replacement as an emergency procurement.

The concerns involved the development of the project specifications for the replacement of the HMLPs by a Seaport engineer that expressly identified one vendor's product as the "approved product." As such, the vendor would benefit from the procurement of the HMLP replacement project regardless of which contractor won the contract award. A secondary concern was that the Seaport engineer may have violated the Cone of Silence. The OIG's review did not reveal an inappropriate relationship between the Seaport engineer and the vendor. The OIG found the naming of the manufactured lighting product vendor had been done based on market research prior to the need for the replacement of the HMLPs. In addition, the OIG review did not find a Cone of Silence violation. The review did shed light on a few areas warranting clarification, additional training and/or the enactment of guidelines for Seaport staff to follow. These areas include the application (or non-application) of the Cone of Silence to emergency procurements; circumstances when it might be appropriate to identify a specific manufacturer's product by name and the guidelines used to evaluate proposed product

substitutions; market research conducted by staff, including invitations for product demonstrations versus product sales pitches triggering lobbyist registration requirements; and the County Code requirements regarding gift disclosures versus the implementation of no-gift policies, especially for personnel with procurement-related duties.

FORMER MDAD EMPLOYEE'S UNAUTHORIZED OUTSIDE EMPLOYMENT

The OIG received an anonymous complaint alleging that a Miami-Dade Aviation Department employee, was engaging in some type of private insurance sales during her work hours at Miami International Airport. The complaint alleged that the employee attempted to recruit other MDAD employees to assist in her outside employment, and it also alleged that the employee used MDAD office space, supplies and computers for her private business. The OIG's investigation substantiated the allegations. The OIG found evidence that the employee, since 2016, worked for a multi-level marketing company that sells investment insurance and various financial products through a network of distributors in the United States, Canada and Puerto Rico. The investigation also revealed that the involved employee worked for a wine subscription-based company, creating and conducting presentations.

The OIG received a second complaint regarding the same MDAD employee alleging fraud to obtain a low-income residential lease. As reported above, the OIG conducted a joint criminal investigation with the State Attorney's Office that resulted in the arrest, filing of criminal charges and sentence of the former MDAD employee. The employee subsequently resigned from her employment with Miami-Dade County.

CONTRACT OVERSIGHT UNIT HIGHLIGHTS AND SUMMARIES

Under the direction of the General Counsel, a team of Contract Oversight Specialists monitor and track procurement engagements across the entire spectrum of Miami-Dade County (County) departments and agencies. As the combined purchasing power of the County and the Jackson Health System is enormous, the OIG is committed to rigorous adherence to procurement policies and procedures at all times. When concerns arise about the management of a specific bid process or contract, OIG staff are assigned to observe, critique and provide input. The Contract Oversight group helps ensure vendors, contractors and firms interested in doing business with the County are able to compete on an even playing field. There are over 14,000 active vendors registered to do business with the County and Jackson Health System. It is not uncommon for a vendor to contact the OIG to complain about specific bid qualifications, or to question selection criterion that appear to provide an unfair advantage to a competitor. Contract Oversight Specialists, exempt from Cone of Silence restrictions, are uniquely positioned to timely address these concerns during a procurement process.

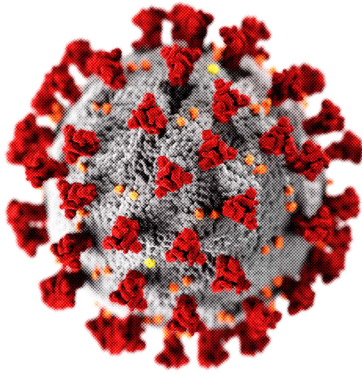
The work of the Contract Oversight Specialists does not end when contracts are awarded. To protect the public's interest throughout the term of a contract, the OIG monitors and investigates to determine if expenditures are justified and contracted deliverables have been received. Depending on the preliminary findings, County administrators may be advised to take immediate corrective actions, or a case may be opened in collaboration with either the OIG's Investigations Unit or Audit Unit for further examination.

The Contract Oversight function is staffed by professionals with a wide range of public sector experience. The authority to oversee all County procurement activities stems directly from the duties and responsibilities outlined in the OIG enabling ordinance. Section 2-1076 of the Code of Miami-Dade County expressly authorizes the OIG to:

- Review and recommend whether a particular program, contract or transaction is necessary, and assist the Board of County Commissioners in determining whether the project or program is the most feasible solution to a particular need.
- Monitor, oversee and inspect procurement processes to include the establishment of project design and bid specifications, bid submittals, and activities of the contractor.
- Attend procurement selection and negotiations meetings and pose questions and concerns consistent with the functions, authority, and powers of the Inspector General.
- Monitor existing projects or programs and report whether they are on-time, within budget, and in conformity with plans, specifications, and applicable law.
- Ensure compliance with contract specifications.

The OIG's Contract Oversight function often results in substantial direct savings, measurable cost avoidance and an improved procurement process that is fair and equitable to the vendor community. The Contract Oversight Specialists are committed to promoting integrity and accountability in the County's procurement processes and contracting activities. The following pages highlight some contract oversight activities performed in Fiscal Year 2019-2020.

CONTRACT OVERSIGHT VIRTUALLY DEPLOYED IN 2020



As the Coronavirus Disease (COVID-19) spread around the globe, the risk assessment was naturally elevated for our metropolitan community. In addition to the high volume of international passengers passing through Miami International Airport, the Miami region is a critical crossroad for trade and commerce (air, sea, rail and trucking) in the western hemisphere and beyond. Geographically, the region is particularly vulnerable to the spread of disease during a pandemic.

The Mayor of Miami-Dade County declared a State of Emergency on March 11, 2020. Subsequent orders sought to limit any gatherings of 10-or more people to minimize the spread of the virus. To the maximum extent possible, County workers were encouraged to work remotely from home. Fortunately for the vast majority of County administrators and the staff of the OIG, virtual technology enabled a relatively seamless transition from the office workplace to home offices.

Procurement activity continued without pause during this extended State of Emergency. Throughout the pandemic, the staff of the Contract Oversight Unit (COU) virtually deployed and, when necessary, conducted fieldwork while observing all safety protocols. The COU assisted the Strategic Procurement Division (SPD) of the Internal Services Department (ISD) to develop appropriate on-line protocols for the virtual evaluation and negotiation of bids, identifying and recommending ways to fully comply with Emergency Orders of the Governor and Mayor, Cone of Silence policies and the Sunshine Law. The OIG has worked diligently on behalf of the vendor community to ensure the integrity of the virtual procurement processes.

As the County dealt with the unprecedented challenges to the community's health, safety and economic stability resulting from the COVID-19 pandemic, the OIG's Contract Oversight Specialists quickly mobilized to provide critical oversight and immediate feedback essential to the rapidly changing procurement operations. The COU initially engaged on three COVID-19 related procurements: 1) the emergency award of contracts for the delivery of nutritional meals to the elderly, 2) a contract for enhanced janitorial services at parks facilities, and 3) a contract for special events personnel to monitor and enforce policies to limit the spread of the viral disease among parks patrons.

The rapidly changing operations, including a shift to teleworking and virtual meetings, required heightened oversight with immediate and continued feedback to ensure the consideration of all necessary controls and transparency in the procurement process. The OIG's Contract Oversight Specialists were able to provide timely, useful and practical recommendations, some of which were incorporated into the final agreements. These procurements are further detailed below.

Even as we all adjusted to performing our work remotely and in virtual settings, the importance of oversight provided by the OIG increased due to an influx of federal relief funds. Miami-Dade County received close to a billion dollars in federal grants to mitigate the economic and societal impacts of the COVID-19 pandemic. OIG Contract Oversight Specialists were on the ground floor in meetings with County Officials and departments as they set up the system to distribute and account for the Coronavirus Aid, Relief, and Economic Security (CARES) Act and other relief program funds received by the County. The ongoing work by our Contract Oversight Specialists to monitor and oversee the distribution and tracking of the funds is detailed below.

MONITORING COVID-19 RELATED PROCUREMENTS



COUNTY EMERGENCY MEAL SERVICE

On March 16, 2020, Emergency Order 01-20 closed all congregate meal sites serving the elderly residents of Miami-Dade County. Included in this declaration was

a directive to County staff to “provide food service” to allow elderly residents to stay at home and avoid exposure to COVID-19. The Office of Emergency Management, in consultation with the County’s Office of Procurement Management and the Community Action and Human Services Department, immediately engaged food service vendors to prepare and distribute meals to residents who were no longer able to access congregate meals and anyone meeting a minimum age requirement (60 years or older) who requested the service through the County 311 service.

At the request of the County Commission, the OIG inquired as to the process of selecting meal service vendors for this non-competitive solicitation. Concerns were aired by elected officials about the engagement of a vendor based in neighboring Broward County. In response to OIG inquiries, the Director of Emergency Management explained the vendor in Broward County had been evaluated during routine (pre-COVID) disaster planning as a capable provider of USDA-certified nutritional meals. From the emergency management perspective, regional sources for food and critical supplies should be readily available when a disaster event occurs within Miami-Dade County, as local distributors and their workforce may be directly impacted by a disaster and may be unavailable.

OIG Contract Oversight Specialists conducted a comprehensive review of the Broward vendor’s operations, including a site visit to an ancillary kitchen facility in Miami-Dade County and a field observation of the hub-and-spoke system to distribute thousands of refrigerated meals. The company was found to be providing an efficient and effective service. This non-competitive procurement was not exclusive, and other local vendors with the capacity to deliver nutritional meals have been active in this on-going program. Overall program expenditures will exceed \$150 million by the end of the calendar year, with more than 15 million meals being delivered by all vendors assisting in this effort. A report detailing our initial findings was presented to the Board of County Commissioners on May 1, 2020.

COUNTY PARKS RE-OPENING PROCUREMENTS

In April 2020, the OIG was contacted by the Parks and Open Spaces Department (PROS) and the Internal Services Department and advised of the County’s plan for the immediate phased re-opening of the parks. The OIG was advised that two emergency contracts would be awarded, on an expedited basis, for janitorial services and special events personnel to assist in that endeavor. ISD asked that the OIG review and monitor the procurements. At the same time, PROS requested the OIG’s oversight assistance in reviewing the contracts and monitoring the implementation of the program to safely re-open the parks.

For the janitorial contract, while awarded as a non-competitive emergency contract, ISD nonetheless issued an informal Request for Quote (RFQ) for Restrooms Cleaning and Disinfecting Services for 66 restrooms located in 59 parks. The selected vendor would be required to clean each facility at least once every two hours, daily between 7:00 a.m. and 8:00 p.m. For the event staffing contract, we were advised that PROS required over 400 special events staff to supplement County personnel at the parks. The special events personnel would

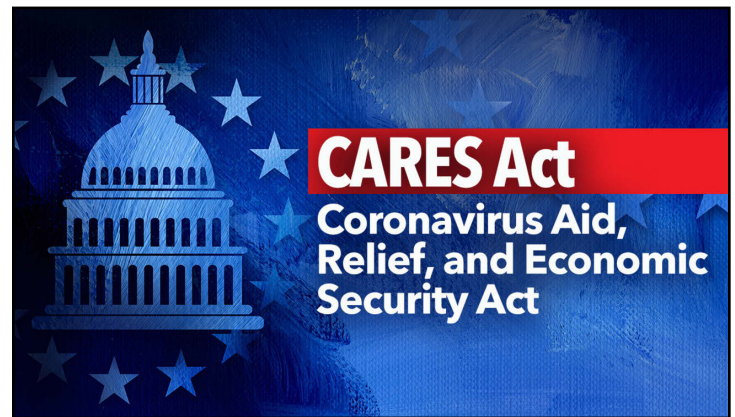
be required to effectively enforce the County's COVID-19 social distancing, face mask and restricted area mandates in the County's 144 parks/marinas.

All personnel working in County parks are required to pass a nationwide criminal background check in compliance with the Shannon Melendi Act, Chapter 26, Article III of the County Code. The OIG was advised that PROS had selected a vendor with an established workforce pool meeting the requirements. In addition to a specific reference to compliance with the criminal background checks, the OIG made several recommendations to the proposed agreements.

The OIG recommended the event staffing contract include requirements for distinctive uniforms, identification badges and communication devices for all active duty staff, the submission of certified payrolls to substantiate compliance with the County's Living Wage ordinance and documentation of compliance with the criminal background checks. For the janitorial contract, the OIG recommended a daily cleaning log be maintained and posted in each restroom to provide park visitors and PROS managers assurance that restrooms were being cleaned regularly.

"Re-Opening Day" for the County's parks was on April 29, 2020. During the first 10 days, OIG Contract Oversight Specialists made 48 field visits (including re-visits) to 40 parks to observe general conditions and the performance of special janitorial services and events staffing personnel. Our observations and comments were published in a preliminary report issued on May 11, 2020. The OIG continues to monitor performance of these vendors. In mid-September 2020, OIG Contract Oversight Specialists and attorneys held a virtual meeting with PROS staff to provide them with our observations and initial findings resulting from limited testing of the first months' invoices submitted by the event staff and janitorial contractors. Our oversight of contractor performance and contract compliance reviews are ongoing and we continue to provide timely feedback to PROS staff.

MONITORING CARES ACT PROGRAM FUNDS



Miami-Dade County has been the beneficiary of substantial federal funds allocated through the State of Florida pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act that was signed into law by President Trump on March 27, 2020. By June 30, 2020, the County reported receiving close to a billion dollars (\$941,676,894) in federal grant funds to keep the the County's economy afloat during the pandemic. The Department of Transportation and Public Works (DTPW) received \$222,579,256 and was able to suspend fares to reduce interactions between the riding public and transit operators. The Miami-Dade Aviation Department (MDAD) received \$207,225,557 to offset the operational losses associated with the severe reduction in passenger traffic. Multiple grants of less than \$10 million were received for specific purposes, such as Election Funds and Assistance to Firefighters.

The bulk of the federal grant dollars received by Miami-Dade County were distributed pursuant to CARES Act Title V, Coronavirus Relief Funds (CRF). The State of Florida received a CRF allocation of \$8.3 billion from the U.S. Treasury. The State of Florida retained 55% of the funds to address statewide needs and allocated 45% to Florida's local governments with populations greater than 500,000. Using a population percentage formula, the State of Florida distributed \$474,085,079 of CRF funds to the County. The OIG has closely monitored the development and implementation of programs to expend these grant dollars.

Following the State of Florida model, the County initially developed and published a population-based formula to illustrate a possible distribution of CRF dollars to municipalities. The formula suggested a total allocation to the cities of \$135,078,822. An expectation arose that these funds would be immediately released to the municipalities according to this formula. County staff stressed reimbursement of municipal expenditures would have to be fully compliant with Title V of the CARES Act, noting that Miami-Dade County would be ultimately responsible for any funds distributed to cities and outside agencies.

On August 4, 2020, the County allocated \$100 million of CRF funds to municipalities, \$75 million for CARES Act eligible government operation expenditures and \$25 million for programmatic proposals to be approved in advance by the Board of County Commissioners. To stretch the CARES Act assistance, municipalities have been encouraged to apply for available Stafford Act assistance through FEMA, a funding strategy fully embraced by Miami-Dade County. The U.S. Treasury has issued advisories noting that CARES Act funds may be used to cover the 25% local FEMA match for pandemic related expenses.

To assist County staff in managing this distribution of CRF dollars, Hagerty Consulting was engaged to serve as the municipal grants program manager. The OIG has had access to the database and has observed the open sessions conducted by Hagerty Consulting with county and municipal officials. The virtual sessions have been democratic, candid and professional. The cooperation between and among the municipal and county officials during this process, facilitated by the consultant, has been a testament to the professionalism of the public servants serving all our residents. The OIG has no negative findings or exceptions to report at this time. The final program design and distribution of the CRF funds rests with the Board of County Commissioners.

THE SMART PLAN



In 2016, the Strategic Miami Area Rapid Transit (SMART) Plan was adopted by the Transportation Planning Organization and the County began expending funds to develop six (6) Rapid Transit Corridors and six (6) Bus Express Rapid Transit projects. The OIG began actively monitoring this program in 2019 when the County received an unsolicited proposal for development of the Beach Corridor. Then in 2020, the OIG assigned staff to track the implementation of the South Dade Rapid Transit Corridor, the North Dade Transit Corridor and the Northeast Corridor, in conjunction with related bus procurements. The OIG is committed to monitoring this multi-year program and offering timely, objective observations as the SMART Plan is implemented.

BEACH CORRIDOR

The OIG began monitoring this procurement in 2019 when the County received an unsolicited proposal for a P3 (Public Private Partnership) project to design, build, finance, operate and maintain a monorail system that would connect the mainland to Miami Beach. Subsequently, in accordance with the provisions of Ordinance No. 17-94, the County issued an RFP for the same project purpose; this ordinance, also provided for the OIG's authority to monitor the procurement.

In February 2020, prior to the proposal submission date for the Beach Corridor project, the OIG was

notified that a Clerk of the Board (COB) employee had transmitted confidential information to an unauthorized party while responding to a public records request. The incident was brought to the County's attention by the public records requestor who had inadvertently received the confidential information. The confidential information was the County's response to Alternative Technical Concept Proposals submitted to the County as part of the RFP for the Rapid Mass Transit Solution for the Beach Corridor Trunk Line.

Although Contract Oversight Specialists were actively monitoring the procurement, OIG investigators and attorneys conducted the review of the incident. The review sought to independently establish a timeline of events surrounding the disclosure, identify how the disclosure occurred, and, to the extent possible, determine if the email attachments were opened, read and disseminated. The review included verifying that any copies of the confidential attachments were deleted by the recipient and identifying steps to prevent such disclosures in the future.

After the review, the OIG concluded that the COB employee did not intentionally disclose confidential information. A misinterpretation of the response period in COB policies resulted in a release of records prior to receiving redactions from the procurement officer responsible for the RFP. It was also determined that the information disclosed would not affect the RFP from proceeding as a fair procurement for all parties involved. The review resulted in several recommendations to prevent such disclosures in the future while ensuring that the COB remains responsive to public records requests.

Adapting the Procurement Process

During the review of the Beach Corridor disclosure incident by the Investigations Unit, the Contract Oversight Unit continued to monitor the procurement process even as the COVID-19 pandemic created the need for new procedures. Evaluation of proposals received would be

conducted pursuant to the Governor's Executive Order (EO 20-69) providing an exemption for the use of communication media technology to satisfy the requirements of the public meeting in the Sunshine in lieu of open in person meetings.

Prior to the evaluation of proposals received in response to the RFP, Contract Oversight Specialists collaborated with ISD to review and ensure that new procedures for conducting virtual competitive selection committee meetings via Zoom® would comply with all statutes, code, rules and regulations governing that process. No detail was overlooked as this high-profile capital project would be procured under conditions never before experienced. As an example of "no detail too small," Contract Oversight Specialists suggested and reviewed the remote scoring methodology that, in a remote environment, could be consistently and uniformly used by all having only basic computer skills and a home computer. The OIG suggestions and recommendations were incorporated into the new procedures for virtual selection committee meetings for this procurement and extended to other procurements conducted under the same conditions.

OIG Comments on Interim Agreement

Between May and September 2020, OIG Contract Oversight Specialists attended over 22 selection, negotiation and internal strategy meetings on the Beach Corridor project. Contract Oversight Specialists added value to the process by openly questioning project assumptions and raising new viewpoints not previously entertained. This first round of negotiations resulted in the County Administration recommending that an Interim Agreement be awarded to the successful proposer. The Interim Agreement would be for a period of 18 months and the County's financial exposure would be capped at \$14 million. The Interim Agreement was a necessary first step for a public private transportation project of this magnitude. On October 15, 2020, the OIG released a memorandum containing our observations of the procurement process and resulting proposed Interim Agreement. The OIG's memorandum

offered suggestions for the Board of County Commissioners (BCC) to consider when deciding on the Interim Agreement and for the subsequent Project Agreement. The questions raised by the OIG included:

- Who will operate and maintain the monorail system?
- Are you satisfied with the locations of the monorail stations on Miami and Miami Beach?
- Is DTPW contemplating other connectors from the Miami Beach station (at 5th Street and Lenox/Michigan Avenues) to further mobility to other points of interest, such as South Pointe Park, Miami Beach Convention Center, Lincoln Road shopping district, Ocean Drive/beaches? How will the lack of connectors of these points of interest affect ridership?
- Would the monorail service be competing with bus routes that not only go across the MacArthur Causeway but also continue to other destination points?
- Should the County wish to exercise the option for an additional station on Miami Beach at 5th Street and Washington Avenue or an intermediate station on Watson Island, what will be the approximate price tag?
- How will the system design and station locations affect rider satisfaction?
- What are the reasons behind a significant cost difference between the monorail systems proposed in the unsolicited proposal (submitted by Miami Beach Monorail Consortium) and that proposed in the Interim Agreement?
- What federal funding might be available?

While the BCC approved the not-to-exceed \$14 million Interim Agreement, the OIG believes these questions remain relevant. The OIG will continue to monitor this project through the remainder of the negotiations process.

SOUTH DADE CORRIDOR

Design-Build Agreement

On September 3, 2020, the BCC adopted resolution R-890-20 that approved the award of a \$368 million design-build service agreement for the South Corridor (South Dade Transitway) Rapid Transit Project to OHL USA, Inc. Once the Notice to Proceed (NTP) has been issued, the OIG will be monitoring the development of this project.

RFP to Acquire 60-Foot Electric Buses

Prior to the issuance of RFP-01501 for Battery-Electric Articulated Buses and a Charging System to serve the South Dade Transitway in February 2020, OIG Contract Oversight Specialists were monitoring the specification development of a contract to purchase 60-foot electric buses for exclusive use on the South Dade Transitway. The intent is to acquire 65-100 electric buses that will provide platform-loading capability for bus rapid transit service being developed for the SMART Plan's South Corridor. Initially, the OIG monitored the specification development to ensure that there would be adequate competition in this upcoming procurement. Through engagement with DTPW officials and monitoring of their market research, the OIG was satisfied that the RFP would not be unduly restrictive. At present, bids have been received from two (2) firms interested in providing these battery-powered buses. An electric-charging depot in South Dade is incorporated in the bid, with on-route quick-charging systems to be considered. A selection committee is expected to hold its first meeting in early 2021.

Proposed Award Of A Professional Services Agreement For Construction Engineering And Inspection Services For The South Corridor Rapid Transit Project

The OIG spotted a possible irregularity in the reporting of County dollars awarded and paid to professional consulting firms that could have had an impact in the competitive selection of the engineering firm for the South Corridor Rapid Transit Project. Tier 1 of a competitive selection for professional architect and engineering firms has a scoring component that evaluates the dollar value previously paid by the County for contract work received by the teams. In other words, teams/firms that have received less county work in the past should be allocated more points than those who have received greater work. The OIG requested the Dollars Awarded Report and noticed a fairly significant discrepancy. This was promptly reported to the County's Strategic Procurement Division, and the proposed award was withdrawn in order to rectify the discrepancy. The reported dollars were updated for all firms being evaluated, and the Competitive Selection Committee was recalled to rescore this one criterion. At present the award of this contract is pending.

NORTH CORRIDOR

Proposals for the Rapid Mass Transit Solution for the North Corridor were received on September 2, 2020. Since then, the OIG has reviewed the four proposals and attended the Competitive Selection Committee meetings. All four proposals have been "short listed" for further consideration, but as of the publication of this annual report, no firm has yet been recommended for award. The OIG will continue monitoring the results of RFP-01432 and the future development of this corridor.

NORTHEAST CORRIDOR

The SMART Plan envisions future Northeast Corridor commuter rail service on the existing Florida East Coast Rail (FECR) line. On May 19, 2018, Brightline began regional passenger rail service on the FECR line connecting Miami to Fort Lauderdale and Palm Beach, with plans to serve the Orlando area.

During the planning phase for Brightline's MiamiCentral Station, multiple public entities, including Miami-Dade County, pooled resources to fund an additional lower platform to accommodate the Tri-Rail commuter trains operated by the South Florida Regional Transportation Authority (SFRTA). The lower platform was built by the MiamiCentral Station developers, but commuter service has not yet been initiated. Before the commuter service can begin, the Federal Railroad Administration must certify that the rail corridor and its passenger train operators are in full compliance with the Positive Train Control Enforcement and Implementation Act of 2015. The OIG is monitoring this certification process as significant county transportation surtax funds have been committed.

On October 11, 2019, the Board of County Commissioners authorized an agreement with Brightline to construct a passenger rail station in the City of Aventura to provide local commuter service in Miami-Dade County (R-1115-19). On October 20, 2020, the Board of County Commissioners identified several locations on the Northeast Corridor as suitable for additional commuter rail stations (R-1088-20). The OIG will be monitoring the solicitations for development of the stations, which may include the prospects of Public Private Partnerships, and the selection of an operator to provide service on this critical commuter corridor.

OTHER TRANSPORTATION-RELATED PROCUREMENTS

ADVANCED TRAFFIC MANAGEMENT SYSTEM (ATMS)

In our 2019 Annual Report, we described our oversight efforts concerning the County's procurement of an ATMS, ending with a statement that an award protest had been filed by the second-ranked proposer. In November 2019, a Hearing Examiner held a Bid Protest Hearing and, in January 2020, issued his Findings and Recommendations. The Hearing Examiner upheld the protest stating that:

Modifying the RFP's terms post-submission to accommodate Siemens' proposal provided Siemens with an unfair competitive advantage not enjoyed by any other proposer ... This deviation was sufficiently material to destroy the competitive character of the RFP's procurement process ... [the Hearing Examiner] finds that the Recommendation of Award to Siemens represents arbitrary and capricious action ...

The County, in response, successfully renegotiated the agreement with the winning proposer, Siemens, to address the Hearing Examiner's concerns. Subsequently, the County prepared an agenda item for presentation to the Board of County Commissioners (BCC) for its approval to award the revised agreement.

Shortly thereafter and prior to the BCC meeting, the OIG issued a memorandum containing its observations and comments. Addressed to the Mayor and the BCC, the OIG described its oversight efforts beginning in 2017 with the second bid waiver through the current period, including the protest hearing, the resultant report and the current agenda item. In our memorandum, we noted that:

The OIG finds that this Recommendation to Award is a best effort endeavor by the County to obtain a fair, reasonable, workable and affordable agreement ... the resultant agreement provides a reasonable basis on which the County can

proceed with its ATMS project. Notwithstanding the Hearing Examiner's finding of a defect in the process, the revised agreement, which addresses the defect through subsequent negotiations, is sound.

After the BCC approved the contract award on May 19, 2020, the County began working with Siemens to obtain and complete the necessary documents prior to issuing a project Notice to Proceed (NTP). The County issued the NTP on September 23, 2020, noting therein that the contract period was 3,290 days and that all work shall be completed by May 31, 2029. The OIG continues to monitor this project.

GENERAL ENGINEERING CONSULTANT SERVICES FOR TRAFFIC SIGNAL OPERATIONS

A key element crucial to the successful implementation of the aforementioned ATMS project will be increasing the County's resources to provide engineering feedback and inspectional services for the project. To accomplish this, DTPW will be awarding a professional services agreement (PSA) to obtain general engineering consultant services. The selected consultant will provide engineering, inspection, technical, management and administrative services assisting DTPW in project administration and its ongoing traffic signal operations.

Three firms submitted proposals in response to the County's Notice to Professional Consultants (NTPC) one of whom was later recommended for award via a competitive selection process. Final BCC approval of the PSA award is pending. The PSA is valued at \$25.3 million and has an initial duration of seven years, with two 2-year options to renew. The OIG has been monitoring this procurement and will continue to do so through BCC approval of contract award and subsequent contract implementation.

COMPRESSED NATURAL GAS OPERATED BUSES – OIG FOLLOW-UP

In 2014, the OIG began its monitoring of the County's CNG program. In January 2017, the County awarded a Master Developer Agreement to Trillium Transportation Fuels LLC for implementation of the program. In November 2019, the OIG issued a report that effectively dispelled rumors concerning the safety of the first set of New Flyer CNG buses. In that same report, the OIG also addressed concerns regarding the procurement of additional CNG buses and raised concerns regarding the future composition of the transit fleet by fuel type, i.e., diesel, hybrid, CNG and electric.

Since issuing our report in November 2019, the OIG continued its monitoring of the CNG program. Some of these activities include:

- Delivery and acceptance of the Gillig CNG buses to ensure the same high standard of Post-Delivery Inspections
- Completion of permanent fueling stations
- Implementation of the CNG program at the Northeast Bus Depot

An OIG Contract Oversight Specialist even attended the CNG Training and Certification Program conducted by the Natural Gas Vehicle Institute alongside DTPW bus inspectors, technicians and supervisory personnel. Based on that training, the OIG observed that several CNG decals were either being removed or covered by advertising wraps and that this posed safety concerns, particularly for first responders, as the locations of the CNG vent lines could not be easily located as their locations varied with different bus manufacturers and bus models. The OIG notified DTPW of our observations and concerns, which were swiftly remedied. Subsequently, DTPW reviewed and updated its advertising policy to ensure that CNG decals were properly placed (according to bus manufacturer and model) and their visibility not obstructed. In addition, DTPW performed an inspection of its entire fleet and non-conforming buses were corrected.

In February 2020, DTPW provided the OIG with our requested status report pertaining to the safety recommendations made in our November 2019 report. DTPW's status report affirmed its adoption of our recommendations. DTPW also provided its revised policies and procedures pertaining to its Post-Delivery Inspection Plan and Natural Gas Cylinder Inspection Standards.

AVIATION-RELATED PROCUREMENTS

The aviation industry has historically been a driving force of the economy of Miami-Dade County and continues to be today. The Miami-Dade Aviation Department (MDAD) manages and operates Miami International Airport and four General Aviation Airports. MDAD must be responsive to a wide range of stakeholders, including the elected county officials who govern the airports, airline executives, federal authorities, the traveling public, shopkeepers, maintenance workers and ramp agents on the tarmac. In this dynamic milieu of competing interests, routine procurement of goods and services often is not routine. For this reason, the OIG invests considerable time on MDAD procurement. Below are some of our recent activities.

OPERATIONS OF PUBLIC PARKING FACILITIES AT MIA

It has been the preference of MDAD to rely upon private entities to manage and operate the public parking facilities at MIA. In exchange for a management fee, a company assumes responsibility for recruiting and managing the personnel needed to collect the parking fees set by the department, 24 hours a day, 7 days a week. On October 23, 2018, MDAD issued RFP-00808 seeking competitive proposals for this service.

This competition between two qualified firms was complicated by the failure to edit or omit poorly phrased language in the RFP pertaining to employee benefits. The language was inconsistent with an existing collective bargaining agreement

for employees of the incumbent vendor. Further, the modification of sick leave policy from “paid” to “unpaid” found in the RFP seemed contrary to the posture of the Board of County Commissioners relative to airport workers in general. The poorly worded language was eventually removed, and the competing firms were asked to submit their Best and Final Offers based on their proposed management fee only. The OIG issued a Memorandum outlining these and other concerns with the bid on February 10, 2020. Eventually, on August 31, 2020, despite a recommendation from the Mayor to award to the winning bidder, the Board of County Commissioners opted to award the contract to the incumbent vendor.

BAGGAGE HANDLING SYSTEM OPERATIONS AND MAINTENANCE AGREEMENT

In the wake of a highly critical investigative report issued by the OIG in May 2019 involving the incumbent vendor responsible for the operation and maintenance of the Baggage Handling System at MIA, MDAD announced that a new solicitation for these services would be issued. The Director of MDAD sought a new solicitation in lieu of exercising any renewal options when the contract with the incumbent vendor expired in June 2020. At the close of 2020, the incumbent vendor continues to operate under administrative extensions while the procurement process for a new contract is underway. The incumbent is a finalist in the ongoing competition. The chosen vendor will be responsible for the automated system that sorts and routes baggage for multiple air carriers throughout the central and southern terminals. The OIG will continue to monitor this procurement to select a vendor for a 7-year-term, with compensation anticipated to be approximately \$10 million a year.

SPECIALIZED SERVICES FOR THE CAPITAL IMPROVEMENT PROGRAM

On December 16, 2019, MDAD issued a Notice to Professional Consultants to submit proposals for Specialized Services to assist with the implementation of the 2020-2035 Capital Improvement Plan (CIP) at MIA. The CIP, approved by the BCC in June 2019, funds up to \$5 billion of airport-wide projects over the next 15 years. Five firms responded to this solicitation and four firms were shortlisted for oral presentations. The Contract Selection Committee identified the top two firms following oral presentations and recommended that negotiations commence. Though delayed for several months during the onset of the pandemic, the selection process resumed in the fall of 2020 and an award recommendation for Specialized Services is anticipated in early 2021. The OIG has been monitoring this procurement and will continue to do so through BCC approval of contract award and subsequent contract implementation.

MANAGEMENT OF MISCELLANEOUS CONSTRUCTION CONTRACTS AT MIA

On July 23, 2019, the Board of County Commissioners ratified Change Order No. 4 extending the time for the General Contractor overseeing Miscellaneous Construction Contracts (MCC) for an additional 548 days, from March 1, 2019 to August 29, 2020. This time-only extension was to allow sufficient time to solicit and award a new contract. This contract was originally awarded on December 19, 2011 for a 4-year term with one optional year in the amount of \$50,125,000. Change Order No. 1 increased the amount by \$30 million. Change Order No. 2 increased the amount by \$10 million and extended the time by a year. Change Order No. 3 extended the contract for another two years and included an additional \$39.8 million. Through the change order process, the original award amount of \$50 million has increased to more than \$129 million over the past nine years.

On November 5, 2019, MDAD initiated the solicitation for a General Contractor to oversee and manage the MCC projects at MDAD operated facilities. On May 14, 2020, a Selection Committee considered eight proposals and recommended the County proceed to negotiate with the top-ranked firm. The incumbent firm was ranked second. The previous time extension authorized by the BCC for the incumbent General Contractor has since lapsed. The OIG will continue to monitor this lengthy procurement process.

A NEW MIAMI INTERNATIONAL AIRPORT (MIA) HOTEL

On September 15, 2020, as instructed by a resolution adopted unanimously by the Board of County Commissioners (R-521-20), MDAD advertised a solicitation seeking a developer to design, construct, finance, manage, operate and maintain a new hotel at MIA. Three proposers responded and have been determined to be qualified to participate in a second phase of the solicitation that will be issued early in 2021. The consultants advising MDAD on this project have determined the market for an upscale, world-class hotel at MIA is very favorable in the post-pandemic era. The location for the new hotel is a parcel at the entrance of MIA, immediately before the parking facilities serving the terminals. The OIG is actively monitoring this solicitation.

MDAD ATM CONCESSION

In 2020, the OIG continued to monitor RFP No. MDAD-1414 for Automated Teller Machines (ATMs) Concession for Miami International Airport. This RFP was initially issued in 2016 for the strategic placement of 20 ATMs. Following unsuccessful negotiations with the top ranked proposer, negotiations were authorized with the second ranked proposer. Negotiations that began in early 2020 have since stalled due to the impact of COVID-19 on the airline travel industry and the performance specifications required by the 2016 RFP. It has been the OIG's recommendation to MDAD to either complete negotiations under the specifications of the RFP as issued or, if it has been determined that those specifications are no

longer applicable or reasonable, withdraw the RFP and reissue a solicitation with new specifications. Indecision is tantamount to extending the existing agreement to a time uncertain.

INTERACTIVE COMPUTER-BASED TRAINING

In April 2020, the OIG initiated a review into Request for Qualifications No. MDAD 16-01 for Interactive Computer-Based Training, after receiving an anonymous complaint alleging that the awarded vendor, among other issues, had failed to deliver its promised product/services within the specified 6-month performance time frame. The complainant added that the subject contract had been awarded over two years ago and that there was no discernable future delivery date for the required deliverables. The OIG interviewed representatives from MDAD Aviation Security, MDAD Information Technology and the vendor. In addition, we reviewed contract documents, emails and other information to establish past performance and the project's current status. The OIG confirmed the contract performance delays and the lack of an agreed-upon completion date. As a result, in August 2020, the OIG formally requested of MDAD that it provide, among other items, a project plan detailing completion steps and completion date, as well as a project "punch list" enumerating the vendor's successful completion of all required deliverables and system functionalities. This type of OIG request is entirely consistent with our mandate to monitor existing projects and report whether they are on time, within budget and in conformity with contract specifications. In its response, MDAD noted its concurrence with the OIG's observations and concerns and included the requested plan and punch list. In addition, MDAD described other steps that it would take to ensure the project's completion and final payment for the required deliverables, which could occur in January 2021. The OIG intends to follow-up with MDAD in 2021 about whether contract deliverables have been received and payment made.

CRIMINAL JUSTICE AND THE COURTS

A NEW COURT CASE MANAGEMENT SOLUTION TO REPLACE CJIS

On May 22, 2020, the County reissued an RFP for a Court Case Management Solution (RFP 01622) since it was determined that proposals for the original RFP were determined to be non-responsive. The new system would replace the Courts legacy Criminal Justice Information System (CJIS), an in-house developed, IBM mainframe hosted, authoritative system of record that is almost 30 years old.

Subsequently, on July 8, 2020, the BCC authorized the waiver of competitive bids in order to expedite a do-over of the procurement by limiting competition to the six proposers that had responded to the original RFP. The OIG was well aware of the procurement's background as we had begun monitoring this project in 2018 when the County received an unsolicited proposal for a similar case management solution. Given the legal determinations knocking out most of the proposers due to them being found non-responsive, the OIG concurred that the competitive bid waiver approach was a reasonable one. The resulting contract is estimated to be upwards of \$15 million and would include all the cost elements for full system implementation including software licenses, configuration and integration, data migration, testing and training. Annual recurring maintenance and support costs could be approximately \$1 million.

Unlike the previous RFP which was conducted during pre-COVID times, the evaluation of proposals for this RFP would be during COVID-19 restrictions using communications media technology. Prior to the beginning of the evaluation meetings, the OIG at the request of ISD, reviewed proposed operating protocols and procedures for conducting all aspects of virtual evaluation meetings. The OIG's objective was to ensure that non-County members are aware of the County's procurement rules that were expanded to include compliance with requirements of the Sunshine Law within the virtual environment.

It is worth noting that a portion of the evaluation process continued after the November 1, 2020 expiration of the Florida Governor's authorization for use of communication media technology to satisfy the quorum requirements of in-person public meetings. The OIG actively discussed, reviewed and monitored the new in-person meeting protocols to ensure that all proposers were treated equally and fairly regardless of the meeting environment, virtual or in-person.

A NEW CIVIL AND PROBATE COURTHOUSE

On December 17, 2019, the BCC approved the Mayors recommendation to award a contract to Plenary Justice Miami, LLC as the developer for the design, build, finance, operation and maintenance of a new civil and probate courthouse. OIG Contract Oversight Specialists had been monitoring the procurement process for this major capital project since 2018, and the OIG issued a memorandum to the Mayor and Board noting that we found no exceptions to the integrity of the procurement process and took no issue with the recommended contract award. The project was financially closed on January 24, 2020, and work on the building design and construction site commenced.

In August 2020, the OIG began actively monitoring the design and construction of the project. Our active monitoring of these early phases of the development of the new 23 story building has allowed the OIG to review the architectural and engineering milestone document submittals, along with the County project management

staff and the selected consultant serving as the owner's representatives. By attending the weekly progress meetings, periodic review meetings and numerous construction site visits, the OIG has established open communication lines with the involved parties and enabled productive oversight. The 65% construction document

milestone was met on November 19, 2020. The 95% and subsequent 100% document submittals are scheduled to be received in early 2021. The construction is scheduled to be completed by 2024.

As is typical for Miami-Dade County design and construction projects, participation in the program of Arts in Public Places is provided with an allowance as part of the construction budget. Initial meetings have been held with the County's Department of Cultural Affairs and additional meetings are scheduled for January 2021. An existing Art in Public Places sculpture linked to the Metrorail guide-

way project will have to be relocated to make way for the new Courthouse.



Rhythm of the Train sculpture by Miami-based artist Joan Lehman

WATER AND SEWER DEPARTMENT (WASD)

CONTRACTS AND PROCUREMENTS

DESIGN-BUILD RFP DO-OVER

The OIG began a review of ISD Project No. DB20-WASD-01, which is a reincarnation of ISD Project No. DB17-WASD-02. The former procurement was been terminated in August 2020 without a recommendation to award. The project calls for the procurement of design-build services for the installation of a 54-inch diameter water transmission main near Red Road running from WASD's John E. Preston Water Treatment Plant to West 53rd Street. The current project has an estimated cost of \$32,398,000 (including contingency accounts and a dedicated allowance account) and a 3-year duration from Notice to Proceed to Substantial Completion.

The re-procurement was necessary because the original procurement suffered from irregularities and process delays that adversely impacted the proposal evaluation and selection process. These issues were to such an extent that County officials determined that it was "in the best interests of the County to reject all proposals and re-advertise this Project." We observe that the second procurement, to-date, has proceeded without serious interruption, and has been a competitive one.

Five firms submitted "Step 1" proposals. After evaluation and ranking by a Competitive Selection Committee (CSC), all five firms were recommended to participate in a Step 2 evaluation and ranking. The Step 2 process would be to determine which firm (or firms) would participate in a negotiation to finalize a design-build plan and price. Ultimately, one firm will be selected to perform the required scope of services. The OIG has been attending project procurement meetings, including both the Step 1 and Step 2 evaluations and rankings, and will continue to monitor activities throughout the remaining procurement process.

CONSENT DECREE PROGRAM

As part of our ongoing oversight of WASD's Consent Decree Program, the OIG learned that WASD's contracted Program Manager, AECOM Technical Services, Inc., was looking to reallocate available contract funds designated for outer years to cover shortfalls in the current fiscal year (FY) and projected shortfalls in FY21. A year earlier, in March 2019, the County approved Amendment 1 to AECOM's Professional Services Agreement, which increased the maximum fees from \$91,149,497 to \$139,395,000. After the passage of Amendment 1, WASD imposed a yearly budget upon AECOM covering fiscal years 2020 through 2027 (CD Program completion). The purpose of this budget was to help both WASD and AECOM manage the remaining funds to ensure program completion within the newly approved fee ceiling.

Since learning of this reallocation request, OIG Contract Specialists have attended several meetings between AECOM representatives and WASD project staff. WASD has been challenging AECOM to justify its actual and proposed staffing plans and additional salary expenses for FY20, as a basis for approving AECOM's FY20 invoices, as well as its proposed FY21 budget. The OIG will be closely monitoring prospective budgets and project expenditures as these reallocations and adjustments can negatively impact the final years of completing the CD Program on time and within budget.

AUDIT UNIT

HIGHLIGHTS AND SUMMARIES

The OIG Audit Unit conducts audits, inspections and evaluations to detect fraud, waste and abuse of power, as well as seek appropriate remedies to mitigate identified risks and recover public monies when applicable. The Audit Unit is led by an Audit Manager, with the assistance of two Audit Supervisors. Targeted recommendations, based on the noted findings and observations, are issued at the conclusion of each audit, inspection or evaluation and communicated to management and stakeholders in the form of a memorandum or a final report.

Some of the audits initiated are derived from complaints received by the OIG. Others may stem from referrals by the Investigations or Contract Oversight Units when an area of interest is discovered during the course of other inspections, reviews or investigations. The Audit Unit also assists other OIG units by providing financial analysis, accounting or analytical research as needed.

The Audit Unit conforms with the Association of Inspectors General (AIG) Principles and Standards for Offices of Inspector General (Green Book) and the Generally Accepted Government Auditing Standards (GAGAS, Yellow Book). The Association of Inspectors General conducted its most recent Peer Review of our office in October 2019 to determine compliance with the Green Book and the Yellow Book. It was the unanimous opinion of the Peer Review Team that the Audit Unit was following all applicable standards and commended the OIG for its professionalism.

The Audit team is a diverse group of individuals with various backgrounds, most have attained or are scheduled to attain the AIG's Certified Inspector General Auditor designation. Additional designations held by the Audit team include that of Certified Public Accountant, Certified Fraud Examiner, Certified Internal Auditor, Certified Construction Auditor, Certified Risk Management Assurance Auditor, Certified Government Auditing Professional, Certified Government Financial Manager, as well as Certified Financial Services Auditor.



AUDIT OF WASD PSIP TASK AUTHORIZATIONS



This audit reviewed the Water and Sewer Department's (WASD) Professional Services Agreement (PSA) for its Pump Station Improvement Program (PSIP). The scope of the PSA covered program manage-

ment services, including the coordination of planning, scheduling, design and construction management services to meet the needs of WASD and its envisioned goals for the PSIP. This contract, PSA No.13NCI001, was awarded to a Miami-Dade County certified Small Business Enterprise. The principal objective was to determine if the consultant was including the same employees on multiple task authorization (TA) proposals submitted to one or more County departments, and whether employees were proposed to work excessive hours during the same time period. The secondary objective was to determine how WASD evaluates the reasonableness of TA proposals. The Final Report contained three observations and two recommendations that come from our testing of the TA proposals as well as interviews with WASD and the consultant's personnel.

The first observation addressed that all the work performed had been in the form of lump sum TAs, as opposed to time and material TAs where invoices include the identification of personnel providing services and timesheets. The task of auditing and verification was problematic because the consultant does not internally maintain time utilization records tracking its personnel (i.e., who worked on what task and for how long) for the activities under this PSA. Thus, OIG Auditors could not verify that the personnel identified in the TA proposal actually performed the services

at the level of effort projected in the proposed TA (e.g., a full-time equivalent or at 20 hours per week). This information is not required to be provided to WASD as part of its invoice submittal, nor does the PSA contain a requirement that the consultant maintain these records. The OIG recommended that WASD consider requiring prime consultants and their subconsultants to maintain project records that identify the employees that actually performed the work and track the specific hours worked throughout the duration of lump sum projects. WASD expressed reservation on this recommendation, explaining that lump sum agreements are used, in part, to reduce paper flow and to transfer the risk and reward (too many or too few hours) to the consultant. Nevertheless, the OIG believes that a requirement that the consultant maintain these types of records, which would not have to be submitted with the invoice, is a reasonable requirement should future verification be warranted. These records could be used by WASD to confirm whether the key personnel identified in the work proposals (or employees with equal qualifications), were the ones that ultimately performed the designated work. The OIG will continue our discussions with WASD management regarding this recommendation.

The second observation addressed how WASD has no formal written policies, procedures or guidance for evaluating lump sum proposals. Written policies and procedures are an essential management tool that provide guidance to employees. Additionally, policies and procedures establish methods and standards for how work is to be performed, help ensure inconsistencies do not occur and assist in the training of new employees. To determine how WASD evaluates TA proposals, OIG Auditors interviewed six WASD project managers regarding the methodology they use to review and approve lump sum TA proposals. The interviews revealed that the project managers are experienced and knowledgeable in reviewing and understanding this type of proposal. The project

managers explained they rely on industry standards, historical data from past WASD projects, their past experiences with contractor qualifications, hourly labor rates and established multipliers to evaluate the reasonableness regarding the cost and the timeframe of each lump sum proposal. Nonetheless, each of the project managers we interviewed confirmed that no formal policies or procedures exist that outline the process for reviewing and approving lump sum proposals. The OIG recommended that WASD develop and implement formal policies and procedures regarding the evaluation of lump sum work proposals. These procedures would promote consistency in the evaluation process, assist WASD's continuity of operations and support the training of new employees. WASD stated that they would formalize the process used to establish the compensation for the lump sum engagements as an additional measure against the likelihood of being overcharged.

The third observation noted that the consultant's work proposals did not indicate any duplication of personnel hours during the same timeframes, nor were excessive hours proposed for employees or subconsultants. Our audit testing period for this purpose was from June 2016 through June 2017. During this period, the consultant was engaged either as the prime consultant or as a subconsultant on 20 different County projects from various county departments, including WASD, Miami-Dade Aviation Department, PortMiami, Regulatory and Environmental Resources and Jackson Health Systems. In our testing for possible duplication of personnel, we reviewed TA proposals for the consultant's work on these 20 County projects. These 20 projects included 39 TAs, which totaled approximately \$8 million, and included 43 personnel. We found no identifiable instances of duplication of proposed employee labor hours during the same timeframe, and no occurrences of employees with proposed work hours so excessive that further testing or investigation was deemed necessary.

SELF-CERTIFICATION OF STS VEHICLES (UPDATE)

In January 2020, the OIG received our requested 90-day status report from the Department of Transportation and Public Works (DTPW). This report provided the department's status on implementing the OIG's six recommendations resulting from our inspection of the self-certification process for Special Transportation Services (STS) vehicles. The STS Program involves the transportation of a particularly vulnerable group of individuals, including the elderly and disabled. Self-certification, which became an available option for operators to self-inspect and self-certify their vehicles, was adopted in 2018 as an alternative to taking the vehicles to a County vehicle inspection facility for testing. The County's STS contract is administered by the Paratransit Operations Division (POD) of DTPW, while the safety certification of vehicles is regulated by the Passenger Transportation Regulatory Division (PTRD) of DTPW. A final audit report was issued by the OIG in September 2019. The OIG's recommendations covered the self-certification process itself, including departmental certification forms and displayed decals, and enhanced field inspection of STS vehicles by PTRD enforcement officers and POD Quality Assurance Monitors. DTPW agreed to implement all six OIG recommendations.

DTPW's 90-day status report details several new procedures adopted as a result of our inspection. For example, the OIG's inspection identified that the STS operator was initially non-compliant with the self-certification requirements because the inspections were not performed by an AATI or ASE certified master mechanic, nor were they performed at a licensed or state registered auto repair shop. Additionally, the operator's inspection facility lacked adequate brake testing equipment, so it could not assure brake tests within allowable parameters. While these non-compliances were immediately brought to DTPW's attention during the course of the OIG inspection and immediately rectified by the operator, DTPW advised that it has revised its procedures to require that prospective certificate and permit holders, electing to self-certify their vehicles, identify the auto repair

shop where vehicle inspections will be conducted. Additionally, PTRD will verify that the auto repair shop is equipped with brake testing equipment capable of determining braking parameters as provided by test equipment readings for stopping effectiveness.

DTPW also embraced three recommendations pertaining to field inspections. As part of the OIG's inspection, we shadowed PTRD officers in the field to observe how enforcement activities have been affected by the new self-certification protocols. The OIG observed inconsistent enforcement activities between county-inspected vehicles and self-certified vehicles. As such, the OIG recommended that PTRD enhance its procedures to ensure a uniform approach regarding field enforcements of county-inspected and self-certified vehicles. In response to this recommendation, effective January 1, 2020, PTRD enforcement officers will remove a vehicle's self-certification decal depending on the type of violation—a practice they were not doing before. Our other recommendation involved the department's Quality Assurance Monitors—field personnel deployed specifically to monitor the STS Program. The OIG recommended heightened coordination between them and the PTRD enforcement officers, and heightened protocols when inspecting a vehicle's self-certification paperwork. DTPW, in its status report, provided the OIG with the new forms and checklists and other revised operating procedures.

REFRIGERANT USAGE AND CONTROLS (UPDATE)

Predicated on a complaint received by the OIG that the Internal Service Department's (ISD) Heating, Ventilation and Air Conditioning (HVAC) Shop was losing \$150,000 to \$300,000 annually worth of refrigerant gases, OIG Auditors initiated an inspection of the HVAC Shop. While we determined the allegation to be unfounded, OIG auditors found widespread lack of internal controls over the HVAC Shop's procurement, physical control, usage and tracking of refrigerants, as well as inter-departmental billings for service orders involving refrigerants. The HVAC Shop is one of four shops within ISD's Renovations Services Section, which is part of ISD's Facilities and Utilities

Management Division, providing support services to other County departments and overall County operations. The OIG's Final Report contained two findings and six recommendations. The first finding addressed the lack of internal controls, inadequate HVAC Shop policies and procedures and insufficient management oversight, which contributed to the fact that forms used to track the usage of refrigerant were not properly completed, and work orders were not closed in a timely manner. The OIG recommended revising the existing policies and procedures or creating new ones; providing formal training on completing required forms and holding personnel accountable for proper completion of the forms; instituting a quality assurance process; and setting timelines for when service request and work order information is to be entered for inventory and billing purposes. The second finding showed that purchases of refrigerant were inaccurately recorded in the inventory tracking system resulting in both erroneous levels of inventory and incorrect amounts invoiced to County user departments. The OIG recommended establishing standards for the entry and supervisory review of data entered in its inventory system, as well as utilization of the functionality built into the system to generate alerts when inventory decreases or increases beyond established thresholds. All recommendations were accepted by ISD, but required prospective implementation of revised policies and procedures, new forms, additional training, quality assurance monitoring and other measures. The OIG requested that ISD provide a status update to report on its progress in implementing the recommendations.

ISD's final status update was received on July 24, 2020. The procedures for refrigerant handling and the Product Release and Control Form for HVAC, along with the ISD Renovations Services Section's Safety Plan were updated and were in full production by the end of July 2020. HVAC employees also attended required trainings after the implementation of the updated Proper Use and Tracking of Refrigerants Procedures. ISD's new policies and procedures, training and hiring of additional staff addressed the Final Inspection Report's recommendations satisfactorily. An Inspection Closure Memorandum was sent to the Department Director on August 20, 2020.

POOL CONTRACTS, PAST, PRESENT, AND FUTURE

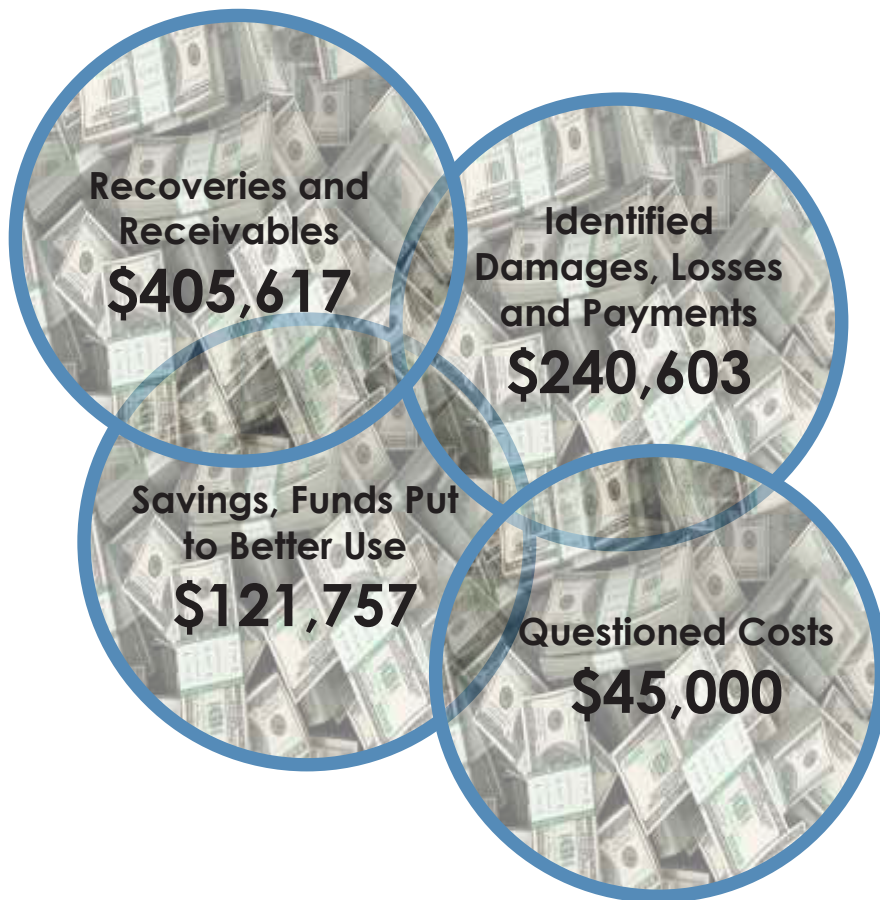
Through the solicitation for qualifications, potential contractors, suppliers and vendors are screened to develop a pool of qualified bidders who can then compete to render goods and/or services, through spot market quotations, on an as-needed basis. Benefits of establishing pool contracts include increasing the number of eligible vendors that may compete for contract awards of varying size and giving more opportunities to vendors to actually win contract awards. Other benefits include decentralizing purchasing to the department level and expediting the contract awards, especially construction contracts whose dollar amount is under certain established thresholds. Pool contract utilization is governed by County procurement policies and procedures, and may be supplemented by a contract's unique roadmap, which is a "how-to" guide on accessing the contract. Individual County departments receive allocations based on their expected level of use of the pool contract.

As of December 31, 2020, the County has 211 pool contracts with durations ranging from one to 15 years and a cumulative contract award value of over \$3.3 billion. Most of the pool contracts have durations between five and ten years.

As part of an ongoing effort to evaluate the overall use and effectiveness of pool contracts within the County, the OIG has selected various pool contracts for audit. These audits assess departmental compliance with the contract, the corresponding roadmap and Small Business Enterprise preferences, when applicable. In 2018, the OIG conducted a multi-department audit of the County's Temporary Employment Agency Services Contract. Currently, we are in the final stages of two pool contract audits. The first of the two is Contract No. 5745-2/14: Parts and Repair Services for Transit Buses and other Support Equipment, and the second audit is on Contract No. 8757-1/18-1, Electrical and Electronic Components, Tools, Parts, and Supplies. The OIG has also recently initiated an audit of the Emergency Response Team Pool under the Miscellaneous Construction Contracts Program. Given the prevalent utilization of pool contracts, the OIG Audit Unit will periodically audit these contracts as part of our overall mandate to randomly audit county contracts.



OIG PERFORMANCE, ACCOUNTABILITY, SAVINGS AND EFFICIENCY



IDENTIFIED FINANCIAL IMPACTS

In Fiscal Year 2019-2020, OIG investigations, audits, inspections and other reviews identified \$240,603 in damages and losses due to theft, fraud and abuse and \$45,000 in questioned costs. As a result of these cases, and others that began in earlier years, OIG cases in Fiscal Year 2019-2020 have given rise to over \$121,757 in savings and funds put to better use, and have brought \$405,617 in recoveries, repayments and court-imposed restitution.

INVESTIGATIONS RESULTING IN ARRESTS

In Fiscal Year 2019-2020, OIG investigations resulted in five individuals being arrested and criminally charged; two corporations were also criminally charged.

CRIMINAL CHARGES FILED

Arrests in Fiscal Year 2019-2020 resulted in criminal charges being filed that include Criminal Use of Personal ID Information, Uttering Forged Instrument, Grand Theft, Organized Scheme to Defraud, Official Misconduct and Forgery.

PUBLICATIONS

The OIG issued 12 public reports and 17 advisory memoranda during Fiscal Year 2019-2020. The reports include audit reports, contract oversight reports and administrative investigative reports. The advisory memoranda typically involve notifications regarding the closure of OIG cases, including dispositions of criminal cases.

A report from the Brookings Center for Effective Public Management (Hudak and Wallack, 2015) noted that "OIGs perform a variety of audit and investigative functions that are not revenue-generating (such as compliance recommendations) which are nevertheless important and beneficial." It further noted that "the presence of OIG enforcement and oversight has deterrent effects on fraud and abuse, which are large but difficult to quantify...the monetary value of deterrence, but it would only increase the already impressive return on investment values."

APPENDIX: CODE OF MIAMI-DADE COUNTY

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 11th Judicial Circuit for Miami-Dade County;

(b) The Public Defender of the 11th 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 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 Office 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.

(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;
- (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.

(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 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 the current Inspector General. Notwithstanding any provision to the contrary, the incumbent Inspector General, Christopher R. Mazzella⁽¹⁾, 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).

⁽¹⁾ Mr. Chris Mazzella, the County's first Inspector General and the incumbent when this subsection was enacted, retired in April 2013. In August of 2020, an Ad Hoc Selection Committee recommended Felix Jimenez to the Board of County Commissioners as the new Inspector General succeeding Inspector General Mary Cagle who served from February 2014 until her retirement in September 2020 .

(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)

Miami-Dade County Office of the Inspector General

**Call Our Hotline to Report Fraud:
(305) 579-2593**

or

**Report Fraud Online at:
www.MiamiDadeIG.org**

**601 NW 1st Court
South Tower, 22nd Floor
Miami, Florida 33136
Phone: (305) 375-1946
Fax: (305) 579-2656**