

**MIAMI-DADE COUNTY
FINAL OFFICIAL MINUTES
Metro Miami Action Plan Trust**

Office of the Metro Miami Action Plan Trust
19 West Flagler Street
Mezzanine Room 106
Miami, Florida 33128

September 3, 2008
As Advertised

Harvey Ruvlin, Clerk
Board of County Commissioners

Kay Madry Sullivan, Director
Clerk of the Board Division

Karen Leonard, Commission Reporter
(305) 375-1296



OFFICIAL MINUTES
METRO-MIAMI ACTION PLAN TRUST
MEETING OF SEPTEMBER 3, 2008

The Metro-Miami Action Plan Trust (MMAP) convened a meeting at the Office of MMAP Trust Board Room, 19 West Flagler Street, Mezzanine Room #106, on September 3, 2008 at 12:00 Noon, there being present: Chairperson John T. Jones, and Members: Mr. Arthur J. Barnes, Ms. Marie B. Hyppolite and Mr. Herbert Robinson; and Ms. Greicy Lovin was late (Dr. Marzell Smith was absent).

ROLL CALL:

Staff members present were: Ms. Marlene Blanco, Ms. Melba Gasque, Mr. William Simmons, Mr. Jose Gonzalez, Dr. Pamela Green, Ms. Laverne Carlyle and Mr. Anthony Williams; Assistant County Attorney Mandana Dashtaki and Deputy Clerk Karen Leonard.

MOTION TO SET THE AGENDA:

Chairperson Jones called the MMAP Trust meeting to order at 12:18 p.m.

DISCLOSURE OF CONFLICTS OF INTEREST

QUERY FOR EARLY DEPARTURES

Approval of Previous Minutes

It was moved by Ms. Hyppolite to approve the March 19, 2008 MMAP Trust minutes. This motion was seconded by Mr. Barnes and upon being put to vote, passed unanimously by those members present.

- I. Trust Action Items
 - A. Committee Action Items
 - 1. Housing
 - 2. Education
 - A. **MLK Leadership Academy**
 - B. **MLK Repairs**

Mr. Anthony Williams provided a brief update of the repairs found in MLK Academy after MMAP's staff and the landlord's representative took observation and outlined the repairs that were needed in the facility. He noted that MMAP's maintenance person gave an estimate that totaled \$9,600.00 for the cost of those repairs. Mr. Williams noted that Reverend Taylor, the landlord, offered to do the repairs if MMAP would submit payment of the \$9,600.00 because he was more confident in having his workers do the repairs.

Chairperson Jones noted the Trust needed to approve of those expenditures that totaled \$9,600.00 and the landlord would ensure to complete the repairs in the school. Chairperson Jones also noted that the Assistant County Attorney had drafted an agreement between MMAP and the Solid Foundation which indicated the landlord would be responsible and liable if those repairs were not done on payment was received.

Mr. Williams concurred with Chairperson Jones regarding the agreement and he noted that MMAP would not be liable after the \$9,600.00 payment was submitted to Solid Foundation.

Discussion ensued regarding as to whether the costs for repairs in the school were valid.

Chairperson Jones requested an itemized list of repairs be submitted with the contract. He added that he was comfortable with the agreement since it was written by the Assistant County Attorney. He noted that \$9,600.00 payment would become a part of MLK Academy's deficit expenditure.

Mr. Simmons noted that the County Budget Department had agreed to increase the deficit of MLK Academy by that amount \$9,600.00 in order to cover the cost. He explained that the County had agreed that during the budget planning period, to incorporate that deficit from the General Revenue Funds in the budget.

In response to Mr. Robinson's question regarding how much was the total deficit for MLK Academy, Mr. Simmons noted that the deficit for MLK Academy totaled approximately \$250,000.00. He noted that was why the school had to close and the agreement with Solid Foundation along with this payment would release MMAP from any other obligations.

Later in the meeting, in response to Chairperson Jones request to have photos of the items attached to the list of repairs on file, Mr. Williams noted that pictures were already taken.

Mr. Simmons noted for the record, that the individual who inspected the school and provided the quote for repairs worked for MMAP as the maintenance person for the school.

Mr. Williams pointed out that MMAP's initial estimated cost to repair the facility was \$10,640.00, noted on the list of "Exhibit A"; but the landlord offered to make the same repairs at the cost of \$9,600.00.

Assistant County Attorney Mandana Dashtaki advised the Trust to ensure both parties agreed the cost of repairs that totaled \$9,600.00 was sufficient with an understanding as to what the actual items in need of repair. She noted the terms of the contract should state that those items would be repaired and MMAP would be released from any further liability over the \$9,600.00. In terms of a legal matter, Assistant County Attorney Dashtaki noted the pictures were not needed, but could be included for the purpose of assurance.

Mr. Simmons noted the MMAP staff would ensure that those pictures be attached to the file. He added that the attachments had been reviewed by the County Attorney's Office.

It was moved by Mr. Barnes that the Trust authorize an expenditure of \$9,600.00 to Solid Foundation, Inc. in accordance with the terms and conditions of the contract agreement

prepared by the Assistant County Attorney waiving all future expenditures and/or liability to MMAP for the repair of the school. This motion was seconded by Mr. Robinson and being put to a vote, passed 5-0. (Dr. Smith was absent)

3. Criminal Justice

A. Teen Court Basketball Tournament

Mr. Simmons provided a brief update of the annual Teen Court Basketball Tournament that gathered teams from each District of Dade County. He noted the event would be held on September 20, 2008 at American Senior High School gym, located in Hialeah, Florida. He also noted the expenditure for that event was \$5,100.00.

Chairperson Jones recommended that the itemized budget for the Teen Court Basketball Tournament that involved Teen Court members and volunteers be reviewed by the Assistant County Attorney to ensure an appropriate expenditure. He noted that any expenses pending approval from the Trust should be reviewed first by the County Attorney's Office.

Discussion ensued regarding this item being time sensitive and the MMAP staff would need to advise the vendors that approval of this event was pending.

Later in the meeting, Mr. Simmons asked to clarify what was the decision on this item because Mr. Williams was not present and he wanted to ensure the Trust members understood what the \$5,100.00 expense would cover. Mr. Simmons noted the question was whether it would be an issue to defer the approval of the expenditure that totaled \$5,100.00 for another month with payments made on a deferred basis. The reason for the deferment was because MMAP needed a legal opinion from the County Attorney's Office as to whether the \$5,100.00 expenditure from the Teen Court Budget was appropriate.

Mr. Williams noted his uncertainty as to whether the deferred payment would be appropriate. He also noted that MMAP had a contract with Positive Choice Youth Center, the host of the event and they had a contract with American Senior High School. Mr. Williams explained that the proposal for this event was presented to MMAP by Positive Choice Youth Center because September represented Teen Court month.

Chairperson Jones recommended that MMAP's staff meet with the Assistant County Attorney to get a legal opinion concerning the approval of the Teen Court Basketball Tournament which would have to be deferred.

Mr. Williams assured the Trust members that the 200 participants for that event were in the Teen Court program and he described the set up of the basketball courts.

Chairperson Jones advised MMAP's staff to have a sign in sheet for the participants.

4. Community and Economic Development

5. Legislative

6. Budget

B. Additional Trust Action Items

1. Congressional Black Caucus (CBC) Conference

Mr. Simmons provided a brief update regarding the Memorandum of Approval (MOA) requesting the Trust to approve an expenditure of \$4,135.80 for the Interim Executive Director, Trust Chairperson and Chairman of the Legislative Action Committee to attend the ALC Congressional Black Caucus. He added that the event was related to MMAP's mission statement regarding education, health, criminal justice and housing. The event would be held at the Walter E. Washington Convention Center in Washington D.C., noted Mr. Simmons.

It was moved by Mr. Barnes that the Trust approve the expenditure in the amount of \$4,135.80 from the MMAP Trust Fund for the MMAP Interim Executive Director, Trust Chairperson, and the Chairman of the Legislative Action Committee to attend the ALC Congressional Black Caucus event on September 24-27, 2008 in Washington, D.C. This motion was seconded by Ms. Hyppolite and being put to a vote, passed 5-0. (Dr. Smith was absent)

2. MMAP Audit Report

Chairperson Jones asked the Trust members to give input after having reviewed the MMAP Audit Report response. He noted the report appeared to only need some grammatical corrections. He noted that the auditor indicated information was not found in the MMAP administration files, however, that information was currently available.

Discussion ensued regarding the audit process and why information could not be found.

Ms. Lovin noted for the record, she had difficulty reviewing the Audit Report response because the questions were not specific. She also noted the focus of the audit was not clear and it appeared that the staff members who could provide the responses were not asked.

Ms. Lovin also noted for the record, that it was negligible to have an audit while the director was out on sick leave for approximately six months.

Ms. Lovin added she was familiar with that type of paperwork. She commended the MMAP staff that researched through documents which consisted of over 5,000 home assistances without help from any County Department. Ms. Lovin noted that her comments were not in defense of the MMAP HAP program, but she made note for clarification purposes only. She continued to review the process that MMAP HAP program used to assist participants with housing which included the lottery program and the process taken to provide the information for the audit.

Ms. Lovin expressed concern regarding the emphasis made in that audit. She noted MMAP staff clearly worked within its mission guidelines and projects were always brought before the Trust. She noted that despite the condition of the economy and the

housing market status countrywide, MMAP's program housing ratio for foreclosures was less than 2% for participants that had a medium income levels. Ms. Lovin added that services were open to other ethnic groups as well. She commended MMAP's staff for the response to the audit noting there was additional information. Ms. Lovin said she was aware of the contents in that document which she supported.

Chairperson Jones noted the difficulty in addressing the economy disparity in Miami-Dade County from a traditional standpoint of government. He spoke in favor of addressing the issue from a non traditional approach which MMAP had done, but there would always be a conflict, but it should not dishearten MMAP to discontinue in helping any ethnicity related to disparity,

Ms. Lovin requested that MMAP's staff review the grammar and make corrections in the response to the audit report.

Discussion ensued regarding grammar corrections that were made after the Trust members were provided a copy of the drafted audit response.

Hearing no further questions or comments the Trust members proceeded to vote.

It was moved by Mr. Robinson to approve the MMAP Audit Review Response with suggested grammatical changes that addressed the items in the MMAP Audit Report. This motion was seconded by Mr. Barnes and upon being put to vote, passed unanimously by those members present.

II. Trust Information Items

A. Committee Information Items

1. Housing

A. **Sailboat Cove Update**

Mr. Eric Johnson noted that MMAP's staff anticipated the maturity of the Sailboat Cove second mortgage that totaled \$1million which would mature at the end of September 2008. He added that staff met with the Attorney's Office to review the current status in order to move forward. Mr. Johnson noted that the proposal was brought back to the Trust because the timeline that Sailboat Cove was currently unable to make a payment within 24 months that was now due October 1, 2008.

Mr. Johnson referred to the updated analysis of Sailboat Cove in the Agenda Package and he noted the loan extension fee that was included in the last extended contract from October 2007 was paid. He added that the \$30,000.00 interest payments were secured.

Mr. Johnson noted that due to Sailboat Cove's inability to pay the principle balance of the loan, the County Attorney's Office suggested that MMAP identify other options to move forward and determine a new proposed contract for repayment that would include those payments. He noted that another suggestion was to use the monies like the Office of Community Economic Development (OCED) to do buy downs that the actual funds on a pro-unit basis would help borrow the loan without payment assistance which would make

up the principal payment.

Mr. Johnson also noted that Sailboat Cove reported their current first mortgage had to be modified with Commerce Bank. He noted that MMAP staff requested updated information regarding build out of the final phases of Sailboat Cove along with cash flow analysis in order to come back to the Trust to either extend or revise the terms of the loan. This action would provide the documents, and cash flow information needed to support those changes, noted Mr. Johnson. He continued to explain the process of meetings MMAP staff had with OCED that had a better system in order to move forward.

Additionally, Mr. Johnson noted monthly reports from Sailboat Cove were included in the Agenda Package regarding their production. He explained that Sailboat Cove had completed a phase of 8 buildings consisting of 39 units and were all under contract. Mr. Johnson reported there were 3-4 closings per month in phase one of that project and phase two were currently under construction for another twenty units with 15 units under contract. He continued to explain the process how the developer was required to produce a certain amount of units that were under contract before receiving advanced funds for the construction to guarantee closings would be on time.

Mr. Johnson noted in order to provide an update to Sailboat Cove phases 3 and 4 that totaled 120 units, he would have to wait to see the projected timelines for completion and how much build out would be necessary in order for MMAP to recoup its funds.

Discussion ensued regarding the first phase of Sailboat Cove project was either under contract, or sold and the current lenders that were accessed through OCED.

Chairperson Jones added that banking lenders Wells Fargo and Countrywide had expressed interest in becoming more involved with MMAP Housing Assistance Program.

In response to Mr. Barnes' question regarding who MMAP staff met with from OCED, Mr. Johnson noted that he and Ms. Hicks met with the Searching Department Manager.

Discussion ensued regarding whether changes that took place in the OCED staff would effect the decisions that were made in those meetings and the impact on service awards.

Mr. Johnson noted that MMAP staff wanted to provide the Trust with an update on the Sailboat Cove project because another loan payment would be due ending September 2008. He added that Ms. Hicks sent certified demand letters regarding repayment and discovered that with the change, in terms of the first mortgage their cash flow was seriously compromised. Mr. Johnson noted MMAP staff met with Commerce Bank, the first mortgage holder, in order to get the interest payments received after a closing occurred. He added that MMAP staff had been working with the County Attorney's Office.

Mr. Johnson noted that MMAP's staff would meet with Sailboat Cove, County Attorney's Office, and most likely with Commerce Bank to determine how to restructure

this loan.

Ms. Hicks added that MMAP staff had looked into receiving smaller increments of payments and principle from Sailboat Cove rather than the entire \$4 million that was due.

Discussion ensued regarding the reduced sale prices for the homes for the Sailboat Cove project that was approximately \$185,000.00 with majority being 3 bedrooms and its location.

B. HAP Budget Update

Chairperson Jones requested that MMAP staff attend the County first fiscal budget hearing on September 4, 2008.

Mr. Johnson noted that the MMAP Housing Assistance Program budget update information in the Agenda Package was a monthly update of the cash flow of the HAP account for this fiscal year through July 2008. He noted MMAP HAP had currently assisted 63 home buyers that totaled \$623,375.00 for this fiscal year. Mr. Johnson added submissions were not accepted from at the starting fiscal year until April 2008 and 45 closings had taken place since the program reopened.

Chairperson Jones recommended that when MMAP staff provided a budget report those numbers should be put in a framework of that fiscal year for auditing purposes.

2. Education
3. Criminal Justice
4. Community and Economic Development

A. Sentec Scientific Presentation

Mr. Barnes noted that when the Economic Development Committee (EDC) met, the members recognized the lack of MMAP's involvement in the South Dade area. He also noted that EDC began meeting with leaders in that area this year and in the last meeting the Sentec Scientific Inc. presentation was bought before the committee by Ms. Hilda Dennis Executive Director of the Carrie P. Meek Center for Business (CPMCB), Homestead, Florida.

Ms. Dennis provided a brief presentation regarding the five years of services provided CPMCB to assist developing companies within the community as a small business incubator. She introduced a representative of a participating company called "Common Sense Management" and who was the chair-elect for the Homestead Florida City Chamber of Commerce.

Ms. Dennis introduced Dr. Roobik Azarnia, representing Sentec Scientific as the participating businesses that would make a presentation. Dr. Arzarnia was the creator of some technologies and while working within CPMCB's facility he received approval of his Patten application, she noted. Ms. Dennis also noted that the intended outcome would be an established facility for Sentec Scientific Inc. established in the community that would provide jobs. She pointed out that CPMCB assisted 750 businesses during its operation with an economic impact that totaled \$2.5 million that created 49 full time jobs throughout the community. Ms. Dennis noted that CPMCB received funding from

OCEC, but funding from the City of Homestead was cut last week. She asked that after hearing Dr. Azarnia, the MMAP Trust would support Sentec Scientific in this venture.

Dr. Azarnia provided a brief presentation of the Sentec Scientific, Inc. noting his time with the company involved five year period of developing a monitoring device for diabetic patients. He emphasized the seriousness and growth of that condition in this County. Dr. Azarnia noted the need to continuously monitor the glucose level of those patients and the process taken. He advised the Trust of his recent development of a cassette base device that no longer required a strip during the testing process. Dr. Azarnia noted that Sentec Scientific, Inc. had a proven record that this concept of technology worked.

Dr. Azarnia noted there were opportunities for advancements in the market place and he would like to move the product development cycle from a working model to a market analysis level. He added that a lot of funding would be needed in order to produce this product and the need of a collaborative effort of support among other entities.

Mr. Barnes explained to the Trust members that it was at the discretion of the South Dade Economic Development Committee to have this presentation. He informed Dr. Azarnia that MMAP was at a very critical stage, in terms of funding and would not have all the funding that was needed; however, he was looking at how to leverage funds received for economic development with banks to cover fund sources. Mr. Barnes expressed personal interest because of his knowledge of diabetic devices. He added that health care for diabetes was a billion dollar industry. Mr. Barnes noted he could identify the potential in this device that would benefit doctors in treating diabetic patients and he felt that MMAP needed to secure some type of funding for this project.

Discussion ensued regarding how the diabetic monitoring device worked without using the test strips and the lowered cost to use the device.

In response to Mr. Barnes question as to whether some investors had been contacted, Dr. Arzania noted "Yes", including investors of pharmaceuticals; however, most investors want to see 2-3 years of growth and progress.

Discussion further ensued regarding the process for the device to be FDA approved and the large amount of money needed to fund this project.

Dr. Arzania added that the biggest buyer would be Medicaid and Sentec Scientific had an advantage, in terms of cost because the monitoring device would be less than competitive prices.

Chairperson Jones recommended that the Trust work with Sentec Scientific by taking the approach to identify health issues through surveys taken by Health and Human Services and Department of Juvenile Justice. He noted he felt that MMAP could assist with creating an audience with assistance from those departments. Chairperson Jones emphasized the need to collaborate with those entities that looked at health issues from a

different prospective.

Discussion ensued regarding the length of time to create that product and how much funding was needed.

Mr. Robinson noted that Sentec Scientific needed to present a budget and a business plan.

Mr. Barnes reiterated that MMAP needed to leverage its funds in addition to involving other support groups which he believed would be the only way MMAP could assist in this project. He noted once a budget and business plan was submitted the Trust could determine the next move.

Discussion further ensued regarding the need to submit additional information on the business projections, statistics on diabetics (including youth) in the community, location that device was in more demand, cost to consumer, and number of jobs created from project.

Ms. Dennis expressed appreciation to the Trust members and she noted that an invitation would be forwarded to the Trust members to attend an open house celebrating five years of Carrie P. Meek Center for Business in operation on September 25, 2008. The Trust members would have an opportunity to see the technology and how the facility operated.

5. Legislative

6. Budget

B. Additional Trust Information Items:

III. Executive Director's Information Items

IV. Executive Director's Information Items

ADJOURNMENT

Hearing no further business, the Trust adjourned the meeting at 2:04 p.m.

John T. Jones, Jr., Chairperson
Metro Miami Action Plan Trust



METRO-MIAMI ACTION PLAN

September 3, 2008

Prepared by: Nelson Diaz

EXHIBITS LIST

NO.	DATE	ITEM #	DESCRIPTION
1	9/3/2008		Memorandum from John Dixon-Interim Executive Director Re: Sailboat Cove MMAP Mortgage Update
2	9/3/2008		Metro-Miami Action Plan Trust- HAP & All Current Program Initiatives- Production Report
3	9/3/2008		MMAP HAP File Submissions (Monthly Funding Analysis)
4	9/3/2008		.Martin Luther, King Jr. Leadership Academy (State of the facility by rooms or sections)
5	9/3/2008		Business Summary (Sentec Scientific, Inc.)
6	9/3/2008		Agreement Between Solid Foundation and Metro-Miami Action Plan Trust
7	9/3/2008		Metro-Miami Action Plan Trust Board of Trustees Meeting September 3, 2008 Agenda
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			



Memorandum



EXECUTIVE DIRECTOR'S INFORMATION ITEM

Date: September 2, 2008
To: MMAP Trust Members
From: John Dixon, Interim Executive Director
Subject: Sailboat Cove MMAP Mortgage Update

In preparation of the maturity of the Sailboat Cove Development Loan that will mature again at the end of September 2008, and that based on current project status, there will not be sufficient closings to make a balloon MMAP payment at maturity (the Mercantile/ CommerceBank first mortgage is still in repayment).

This memorandum summarizes recent activities.

- Fortex Construction provided an update site analysis and closing production report for The Mirage at Sailboat Cove project as of July 31, 2008 (see attached... a Sales Report with a breakdown of Phase I units is also included).
- The loan extension fee (\$5,000) was paid
- Quarterly interest payments currently due and payable totaling \$30,000 have now been received. \$15,000 has been posted in FAMIS, the other \$15,000 was just received late last week. Arrangement were made to have interest due payments paid in conjunction with file closings and were noted on the HUD-1 of applicable files.
- MMAP Staff met with the County Attorneys to discuss situation and review options. A complete loan re-structuring was suggested with a number of noted items need to assess most viable options for consideration
- Item updates and/ or documents needed from Fortex Construction on Sailboat Cove were requested and include:
 - A copy of the terms of the 1st Mortgage with Mercantile/ Commerce Bank (i.e., the initial and any other pertinent agreements, the (1st Mortgage) Note and all extensions, modification and/ or amendments that have been subsequently executed)
 - A copy of the Realtor Participation Agreement that you have (eluded to 4% Commission for borrowers signing contracts w/o subsidy financing and 2% for borrowers signing contracts with subsidy financing involved...)
 - Written updated timeline for Build-Out of remaining Phases (Phase II, Part I, Phase II, Part II and Phase III)
 - Updated Site Map for remaining Phases
 - Updated Cash Flow Analysis that corresponds with Build-Out Timeline

- Options for possible consideration regarding terms of a re-structure of the MMAP 2nd mortgage could follow one or more of the following components:
 - A fully amortizing to payoff MMAP 2nd (this is extremely dependent on cash flow analysis)...
 1. Principal & Interest payment and amortization for possible terms of 2, 3 or 5 years...
 2. Same payment terms as #1 with interest rate reductions ranging from one to two percent (1% to 2%)...FYI – Current interest rate is 3 percent (3%)
 - Comparison of possible scenarios involving MMAP 2nd mortgage principal (in its entirety and/ or partially) being repaid via a Restrictive Covenant Buy-down (similar to what OCED does presently)
 - Charge of new Commitment Fee in an amount TBD
 - Forgiveness of some portion of the principal balance based on some (TBD) clause regarding increased affordability
- Upon receipt and review of documents from Fortex Construction, another meeting with the County Attorneys will be scheduled
- Please note that any proposal regarding the re-structure of the MMAP 2nd mortgage would also require advisement and approval/ acknowledgement of the 1st mortgage lender, Mercantile/ CommerceBank (the County Attorneys have agreed to be present at any such required meeting).

THE MIRAGE AT SAILBOAT COVE

PHASE ONE

8/31/2008

Street Address	Building Number	Unit Number	Price	Status	Account	CLIENT	Closing Date
1795 NW 142 Lane	24	1	\$185,000	AVAILABLE		AVAILABLE	
1791 NW 142 Lane	24	2	\$185,000	HFC/HFA	MMAP Pndg	Marthe Aristide/Joseph Gustave	10/5/2007
1787 NW 142 Lane	24	3	\$194,000	CLOSED		Jean Monestine	
1783 NW 142 Lane	24	4	\$185,000	CLOSED	at MMAP	Alberta Hannah	
1779 NW 142 Lane	24	5	\$185,000	CLOSED		Rodrigue Bazile/Nancy Utile	

Street Address	Building Number	Unit Number	Price	Status	Account	CLIENT	Closing Date
1775 NW 142 Lane	25	1	\$185,000	CLOSED		Innocent Alisca	7/25/2008
1771 NW 142 Lane	25	2	\$229,900	CLOSED		Kimberly Ann Smith	1/10/2008
1767 NW 142 Lane	25	3	\$225,000	CLOSED		Chauncey Gurrier	11/20/2007
1763 NW 142 Lane	25	4	\$220,000	CLOSED		Bonte DeTemps	1/7/2008
1759 NW 142 Lane	25	5	\$185,000	HFC/HFA	at MMAP	Marie Estiverne	

Street Address	Building Number	Unit Number	Price	Status	Account	CLIENT	Closing Date
14292 NW 17 CT	27	1	\$196,500	CLOSED		Michelle D. Edwards	3/7/2008
14288 NW 17 CT	27	2	\$210,000	CLOSED		Octavia Harper	10/25/2007
14284 NW 17 CT	27	3	\$235,000	CLOSED		Valencia Brown	10/31/2007
14280 NW 17 CT	27	4	\$200,000	CLOSED		Annie D. Davis	3/28/2008
14276 NW 17 CT	27	5	\$207,000	CLOSED		Jean Marc Bassette	10/16/2007

Street Address	Building Number	Unit Number	Price	Status	Account	CLIENT	Closing Date
1746 NW 142 Lane	28	1	\$249,900	CLOSED		Janeen White	10/1/2007
1750 NW 142 Lane	28	2	\$185,000	COUNTRYWIDE	at MMAP	Linda Stevens	
1754 NW 142 Lane	28	3	\$185,000	COLONIAL		Constance Hunter	
1758 NW 142 Lane	28	4	\$245,000	CLOSED		Ibimina Irisonga	10/16/2007

Street Address	Building Number	Unit Number	Price	Status	Account	CLIENT	Closing Date
1762 NW 142 Lane	29	1	\$209,000	CLOSED		Ellie Bellune	10/3/2007
1766 NW 142 Lane	29	2	\$185,000	AVAILABLE		AVAILABLE	

1770 NW 142 Lane	29	3	\$225,000	CLOSED		Solomon Consuegra	10/17/2007
1774 NW 142 Lane	29	4	\$185,000	COLONIAL		Clara Jones	
1778 NW 142 Lane	29	5	\$185,000	COLONIAL		(MOSES) Henry-Howell	

Street Address	Building Number	Unit Number	Price	Status			
1782 NW 142 Lane	30	1	\$204,000	CLOSED		Linda Brown	10/18/2007
1786 NW 142 Lane	30	2	\$185,000	LITTLE HAITI		Justlane Pierre	
1790 NW 142 Lane	30	3	\$185,000	COLONIAL	at MMAP	Marie Francois	
1794 NW 142 Lane	30	4	\$225,000	CLOSED		Marc Docteur	5/23/2008
1798 NW 142 Lane	30	5	\$185,000	CLOSED		Chistopher Stephens	

Street Address	Building Number	Unit Number	Price	Status			
1802 NW 142 Lane	31	1	\$185,000	COLONIAL		Annie Roberson	
1806 NW 142 Lane	31	2	\$185,000	COLONIAL		Thadrin Shelton	5/6/2008
1810 NW 142 Lane	31	3	\$215,000	CLOSED		Jerell Dardy	
1814 NW 142 Lane	31	4	\$225,000	CLOSED		Joyce McIntyre	11/9/2007
1818 NW 142 Lane	31	5	\$210,000	CLOSED		Kevin Hawkins	4/2/2008

Street Address	Building Number	Unit Number	Price	Status			
1822 NW 142 Lane	32	1	\$225,000	CLOSED		Marie Guinard	11/21/2007
1826 NW 142 Lane	32	2	\$185,000	CLOSED		Samuel Belidor	
1830 NW 142 Lane	32	3	\$235,000	CLOSED		Lisa & DeAngelo Jackson	10/12/2007
1834 NW 142 Lane	32	4	\$185,000	COLONIAL	at MMAP	Jesus Mendez	
1838 NW 142 Lane	32	5	\$185,000	HFC/HFA	Pndg Clsg	Alfred Harris Jr.	

THE MIRAGE at Sailboat Cove

Opa-locka, Florida

31 July 2008

To: METRO-MIAMI ACTION PLAN TRUST

From: Jose Perez de Corcho
The MIRAGE at Sailboat Cove

REPORT ON ON-SITE INFRASTRUCTURE

Roads: Phase I complete, Phase II graded and base installed, Phase III subgraded and compacted.

Water Main loop: completed and operational, entire site

Gravity Sanitary Sewer System: completed and operational, entire site

Sanitary Force Main and Pump Station: completed and operational, entire site

Storm Drain System: completed and functional, entire site

Site Lighting System: completed and functional, entire site

Site Power Distribution System: completed and functional, entire site

AT&T Optic Fiber Telephone System: completed and operational, entire site

Direct TV Service: operational in all units

REPORT ON VERTICAL CONSTRUCTION

Phase 1: Eight (8) buildings completed (39 units) and COd

Phase 2: Four (4) buildings are currently under construction (20 units), structures and roof completed, interior framing completed, plumbing/electrical/HVAC rough-in work 85% completed

Community Center and Swimming Pool are in service. Community Center is still being used as a sales office

Phase II permitting process for the remaining buildings in this phase continues

CLOSINGS and UNDER CONTRACT

Closings this period: 3

Closed to date: 23

At OCED underwriting for Surtax subsidy: 16

Under Contract: Phase 2: 15

Respectfully submitted

Jose Pérez de Corcho

**Operations Office: 14329 NW 17 Path
Opa-locka, Florida 33054
Telephone: 305 599-1295
Telefax: 305 599-2034**

METRO-MIAMI ACTION PLAN TRUST - HAP & ALL CURRENT PROGRAM INITIATIVES - PRODUCTION REPORT

JULY 2008 AND Fiscal Year-To-Date 2007-2008

General Statistics	JULY 2008 TOTALS	YTD JULY 2008
Total Applicants	30	67
Total Loans	18	63
Total MMAP Funding	\$106,009.00	\$623,375.00
Total purchase Price	\$4,925,923.00	\$11,462,723.00
Average Sales Price	\$164,197.43	\$171,085.42
Total amount in 1st Mortgages	\$3,143,902.00	\$7,822,630.00
Average 1st Mortgage	\$104,796.73	\$116,755.67
Total Amt SURTAX Funding	\$1,216,000.00	\$2,411,980.00
Other Loans	\$391,131.00	\$796,738.00
Estimated Increase to Tax Base	\$45,000.00	\$157,500.00
Head of Household Loans		
Female	12	38
Male	6	25
Total	18	63
Ethnicity Loans		
Black	12	39
Hispanic	5	22
White	1	0
Other	0	2
Total	18	63
Median Income Level Loans		
Very Low	5	22
Low	6	21
Median Moderate	7	20
Total	18	63
Commission District Loans		
District 1	7	22
District 2	7	16
District 3	3	9
District 4	0	1
District 5	0	1
District 6	0	0
District 7	0	1
District 8	0	4
District 9	0	3
District 10	1	3
District 11	0	1
District 12	0	0
District 13	0	2
Total	18	63



Fiscal Year-To-Date 2007/2008 for MMAP HAP & ALL CURRENT INITIATIVES

General Statistics	ZAMORA HOMES	DISTRICT 3 TEACHERS	STEP-UP INITIATIVE	MMAP HAP
Total Applicants	0	1	1	65
Total Loans	2	1	0	60
Total MMAP Funding	\$50,000.00	\$25,000.00	\$0.00	\$548,375.00
Total Purchase Price	\$0.00	\$215,198.00	\$180,000.00	\$11,067,525.00
Average Sales Price	\$0.00	\$0.00	\$0.00	\$171,085.42
Total amount in 1st Mortgages	\$0.00	\$215,198.00	\$180,000.00	\$7,427,432.00
Average 1st Mortgage	\$0.00	\$0.00	\$0.00	\$116,755.67
Total Amt SURTAX Funding	\$0.00	\$0.00	\$0.00	\$2,411,980.00
Other Loans	\$0.00	\$0.00	\$60,000.00	\$736,738.00
Estimated Increase to Tax Base	\$5,000.00	\$2,500.00	\$0.00	\$150,000.00
Head of Household Loans				
Female	0	1	0	37
Male	2	0	0	23
Total	2	1	0	60
Ethnicity Loans				
Black	0	1	0	38
Hispanic	1	0	0	21
White	0	0	0	0
Other	1	0	0	1
Total	2	1	0	60
Median Income Level Loans				
Very Low	1	0	0	21
Low	0	0	0	21
Median Moderate	1	1	0	18
Total	2	1	0	60
Commission District Loans				
District 1	0	0	0	22
District 2	0	1	0	15
District 3	0	0	0	9
District 4	0	0	0	1
District 5	0	0	0	1
District 6	0	0	0	0
District 7	0	0	0	1
District 8	2	0	0	2
District 9	0	0	0	3
District 10	0	0	0	3
District 11	0	0	0	1
District 12	0	0	0	0
District 13	0	0	0	2
Total	2	1	0	60

FY 2008 - 09 Proposed Resource Allocation and Multi-Year Capital Plan

Metro-Miami Action Plan

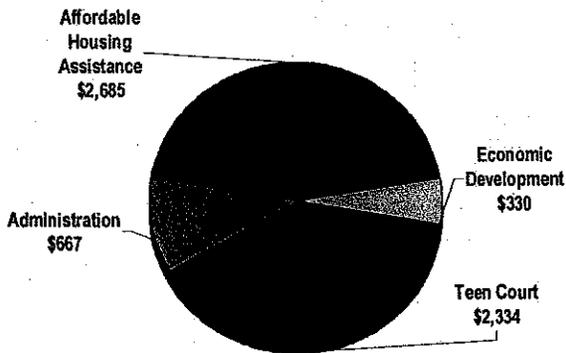
The Metro-Miami Action Plan (MMAP) Trust addresses and advocates for the health, economic welfare, and social needs of, primarily, Miami-Dade County's African American community. MMAP encourages and facilitates the coordination of programs providing assistance to the African American community and serves as a catalyst for the elimination of disparities within the community at large. MMAP exists to advocate for systemic change, serve as the conscience of the community, and present a yardstick to measure change.

As part of the Economic Development and Health and Human Services strategic areas, MMAP provides homeownership assistance to low- to moderate-income homeowners through second and third mortgages, and juvenile intervention by diverting teens from the juvenile justice system.

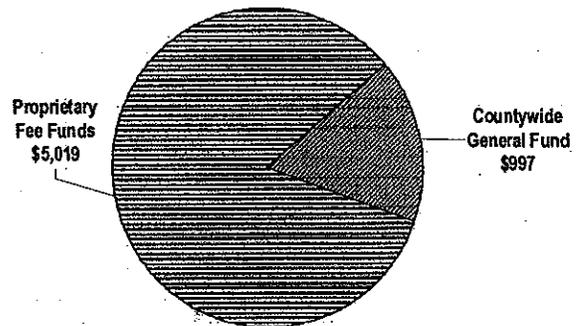
MMAP provides these services to low- to moderate-income families, youths, and the African American community of Miami-Dade County.

FY 2008-09 Proposed Budget

Expenditures by Activity
(dollars in thousands)

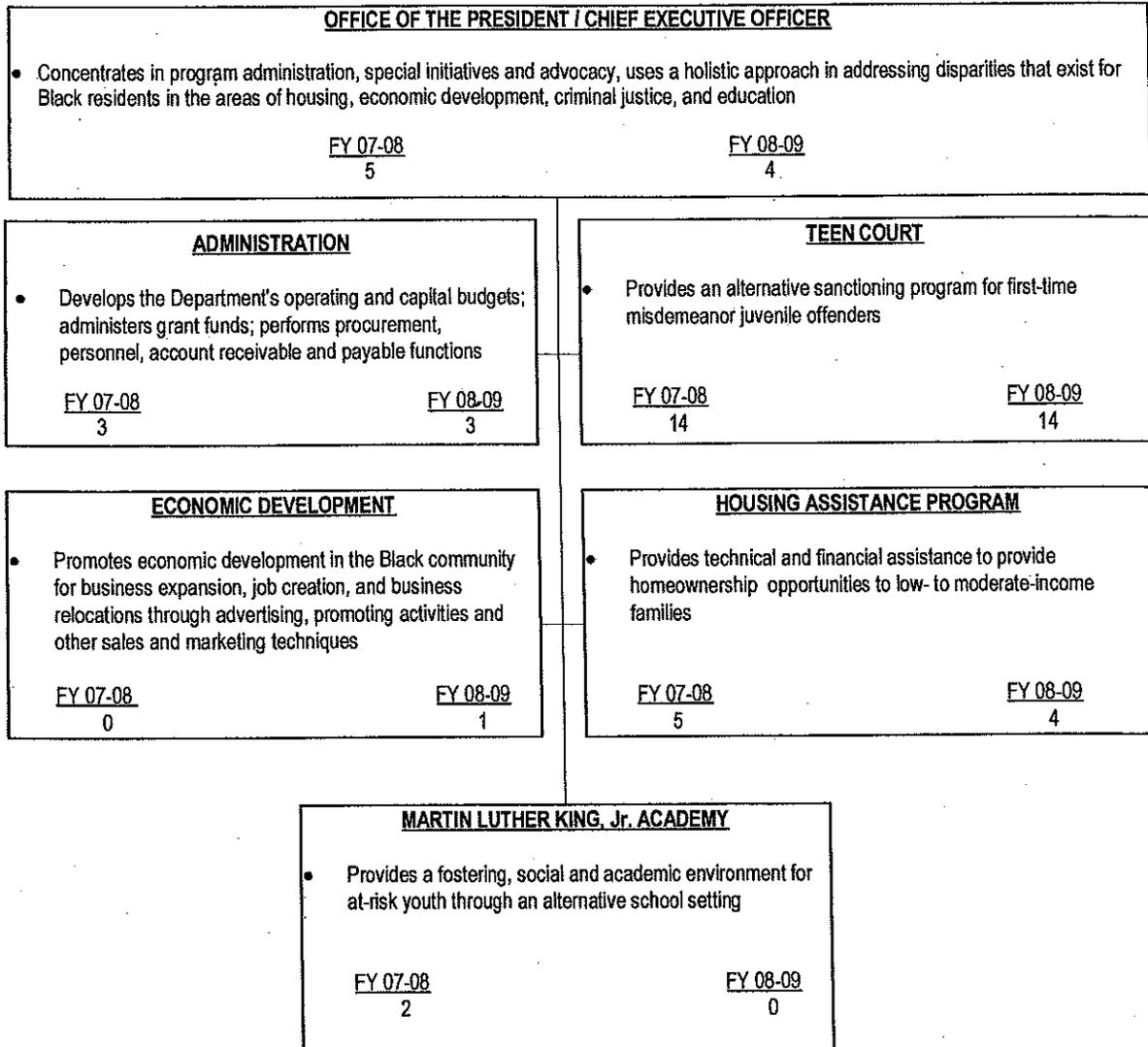


Revenues by Source
(dollars in thousands)



FY 2008 - 09 Proposed Resource Allocation and Multi-Year Capital Plan

TABLE OF ORGANIZATION



FY 2008 - 09 Proposed Resource Allocation and Multi-Year Capital Plan

FINANCIAL SUMMARY

(dollars in thousands)	Actual FY 06-07	Budget FY 07-08	Proposed FY 08-09
Revenue Summary			
General Fund Countywide	946	774	997
Carryover	7,171	1,882	1,596
Credit and Collections	42	0	0
Documentary Stamp Surtax	2,856	3,205	1,913
Interest Earnings	140	67	60
Local Business Tax Receipt	280	0	0
Miami-Dade Public Schools	618	950	0
Surtax Loan Payback	1,057	1,000	250
Teen Court Fees	1,253	1,075	1,200
Total Revenues	14,363	8,953	6,016
Operating Expenditures Summary			
Salary	1,636	1,876	1,658
Fringe Benefits	467	537	508
Other Operating	10,494	6,522	3,831
Capital	24	18	19
Total Operating Expenditures	12,621	8,953	6,016

(dollars in thousands)	Total Funding		Total Positions	
Expenditure By Program	Budget FY 07-08	Proposed FY 08-09	Budget FY 07-08	Proposed FY 08-09
Strategic Area: Health and Human Services				
MLK, Jr. Academy	950	0	2	0
Teen Court	1,874	2,334	14	14
Strategic Area: Economic Development				
Administration	774	667	8	7
Affordable Housing Assistance	5,355	2,685	5	4
Economic Development	0	330	0	1
Total Operating Expenditures	8,953	6,016	29	26

GMH

SELECTED ITEM HIGHLIGHTS AND DETAILS

Line Item Highlights	(dollars in thousands)				
	Actual FY 05-06	Actual FY 06-07	Budget FY 07-08	Projection FY 07-08	Proposed FY 08-09
Consultants	757	747	720	478	58
Rent	276	273	301	301	205
Travel	17	10	15	9	10

FY 2008 - 09 Proposed Resource Allocation and Multi-Year Capital Plan

DIVISION: AFFORDABLE HOUSING ASSISTANCE

The Affordable Housing Assistance Division enhances the economic well being of low- to moderate-income households by making the purchase of a home attainable through forgivable loans for eligible clients.

- Provides down payment and closing cost assistance to qualified first time low- to moderate-income home buyers
- Processes mortgage applications for affordable housing units
- Establishes partnerships with public, private sector and financial institutions to provide housing opportunities for every low- and moderate-income homebuyer

Strategic Plan Outcome - Measures

- ED1-3: Increased number of low to moderate income homeowners (priority outcome)

	Measures	FY 06-07		FY 07-08		FY 08-09
		Target	Actual	Target	Projection	Target
Increase the number of new homeowners	New homeowners provided closing cost and down payment assistance*	630	761	308	283	250
	Affordable housing community forums and special housing events held	n/a	2	8	8	8

*Decrease reflects reduced Documentary Stamp Surtax revenues

FY 2008 - 09 Proposed Resource Allocation and Multi-Year Capital Plan

DIVISION: ECONOMIC DEVELOPMENT

The Economic Development Division helps reduce the socio-economic disparity of Miami-Dade County's Black community by advocating and coordinating initiatives and programs for the benefit of the community-at-large.

- Provides community forums to receive public input for economic development in underserved communities

Strategic Plan Outcome - Measures

- ED1-1: Increased number of businesses and employment opportunities in higher-paying, targeted industries (priority outcome)

	Measures	FY 06-07		FY 07-08		FY 08-09
		Target	Actual	Target	Projection	Target
Increase the number of successful small businesses in targeted areas	Community Economic Development Forums Sponsored*	11	11	4	3	4

*Reduction from FY 2006-07 due to the transfer of the Local Business Tax Receipt revenues to OCED that previously supported this activity

FY 2008 - 09 Proposed Resource Allocation and Multi-Year Capital Plan

DIVISION: TEEN COURT

The Teen Court provides an alternative sanctioning program for first-time misdemeanor juvenile offenders.

- Provides ethics, anti-theft, substance abuse, crime prevention, and other workshops for juveniles and adults
- Provides training for youth to work in the capacity of defense attorney, prosecuting attorney, juror, clerk, and bailiff in Teen Court proceedings

Strategic Plan Outcome - Measures

- HH3-2: Increased access to culturally sensitive outreach/prevention and intervention services for Miami-Dade County children, youth and their families (priority outcome)

	Measures	FY 06-07		FY 07-08		FY 08-09
		Target	Actual	Target	Projection	Target
Reduce the recidivism rate of first-time misdemeanor juvenile offenders	Referrals to Teen Court	350	246	350	246	300
	Recidivism rate for juveniles successfully completing Teen Court*	15%	2%	15%	2%	2%
	Workshops provided to juveniles	6	5	6	6	6
	Courtroom sessions held by participating juveniles	20	10	18	18	18

*The FY 2008-09 estimates based on actual data to date

Budget Enhancements or Reductions and Additional Comments

- The FY 2008-09 Proposed Resource Allocation Plan includes additional General Fund of \$330,000 to replace the Local Business Tax Receipt revenues and a transfer of one position from the Office of Community and Economic Development to support economic development initiatives in the African American community; this funding will be held in escrow pending an audit of prior years expenditures applied to Business Tax Receipt revenues
- As a result of organizational review of functions, span of control, and reporting hierarchies, the FY 2008-09 Proposed Resource Allocation Plan includes the elimination of one Executive Secretary and the reclassification of a Deputy Director position to Assistant to the Director (\$139,000)
- The FY 2008-09 Proposed Resource Allocation Plan reflects the elimination of the Martin Luther King, Jr. Academy (two positions) as a result of reduced revenues from the School Board to appropriately support operating expenditures; additionally, the Trust is estimating a deficit in Academy of approximately \$120,000 in FY 2007-08; also, as a result of the reduced Documentary Stamp Surtax revenues, the FY 2008-09 Proposed Resource Allocation Plan includes the elimination of one position in the Affordable Housing Unit (\$97,000)

Exhibit A

**Martin Luther King, Jr. Leadership Academy
13331 Alexandria Drive
Opa-Locka, Florida**

State of the facility by rooms or section:

Main Office

One (1) small window glass broken and needs replacement \$ 50.00

Room #101

Door lock needs replacement \$ 86.00

Room #103

Door needs repair
Hole in AC unit
Two (2) ceiling fans do not work \$ 200.00
Lock in #2 door need repair/replacement \$ 86.00

Room #204

Door needs to be replaced and lock \$650.00 \$ 86.00
Wall needs repair

Room #205

Door needs repair/replacement \$ 650.00
Lock on door is needed \$ 86.00
Eight (8) windows needs glass replaced \$ 500.00
Window in hallway in front of door need glass replacement & repairs \$ 100.00

Room #301

Replace lock on door and repair or place door \$ 86.00

Room #302

Door Lock need to be repaired or replaced \$ 86.00
Second lock on door need to be replaced with double key dead bolt lock \$ 86.00

Room #303

Door lock need repair or replacement \$ 650.00

Walls need to be painted where holes were patched
86.00 \$

Room #401

Replace lock and door \$ 650.00
\$ 86.00

Room #402

Repair door and lock on door 31 and door #2 \$ 172.00
Water fountain outside of room does not work \$ 325.00

Boys Restroom

One (1) urinal broken and need replacement \$ 150.00
One (1) toilet broken and need replacement \$ 120.00
One (1) sink broken and need replacement \$ 100.00
One (1) stall door need repair \$ 150.00

Girls Restroom

Three (3) toilets broken and need replacement \$ 360.00
One (1) sink broken and need replacement \$ 100.00
Two (2) ceiling tiles need to be replacement \$ 50.00
Front door need to be replaced (metal) \$ 650.00
Two (2) stall doors need to be replaced \$ 250.00
One (1) light fixture cover need to be replaced \$ 150.00

Water Fountain next to stairs

Drainage system need repair \$ 120.00

Diverter for sprinkler system

Need to be replaced \$ 120.00

A/C cover in front of school

Have been damaged and need to be replaced \$ 300.00

Graffiti

On wall next to A/C in front of school need painting
On wall in front of school need painting

Locks for front doors

Eight (8) circular locks need to be replaced \$ 45.00/ \$360.00

Labor Charges \$ 1,980.00

In front of School

Air Compressor for the A/C System need repairing \$ 500.00

Upstairs Office

Replace ceiling tiles and strips to hold in place \$ 500.00

Total \$ 10,640



POSITIVE CHOICE YOUTH CENTER

4343 N.W. 167 Street Miami Florida 33055 pcyc68@aol.com

To: Metro-Miami Action Plan Trust/
Miami-Dade County Teen Court
16405 N.W. 25th Avenue
Opa Locka, Florida 33054

Positive Choice Youth Center is proud to present the *Taking it to the Court Basketball Tournament* between the North, South, Central, and Hialeah Teen Court teams. The games will be hosted at the American Sr. High School gym located at 18350 N.W. 67th Avenue, Hialeah Fl. 33015, on September 20, 2008. The time of this event will be 9:00 a.m. – 3:00 p.m. This event promotes team building concepts. This event should have an armed officer(s). Expected participants are 200, and the cost to host this event is as follows:

Gym Fees	\$ 200.00
Security	\$ 1,000.00
Custodian	\$ 200.00
Score Keeper	\$ 50.00
Clean up crew	\$ 500.00
Trophies	\$ 400.00
Uniforms	\$ 2,100.00
Referees	\$ 300.00
DJ	<u>\$ 350.00</u>

Total \$ 5,100.00

Thank You,

Jay Lee
CEO/President
Positive Choice Youth Center
(786) 597-6080

Business Summary

Sentec Scientific, Inc.

301 Civic Court – Suite 104

Homestead, FL 33030

Contact: Dr. Roobik Azarnia, President

786-243-7576

786-243-7600

786-243-7603 fax

roobik@sentecscientific.com

Sentec Scientific, Inc. is an early-stage in-vitro diagnostics company, focused on the rapidly growing diabetes testing market, and is engaged in design and development of novel **home glucose monitoring devices** utilizing proprietary **biosensor** and related technologies.

MARKET – According to the American Diabetes Association (Alexandria, VA), diabetes, a disorder in which the body does not produce or properly use the hormone insulin— which is needed to convert sugar, starches, and other food into energy—affects 20 million Americans. Six million of them don't know they have it. An additional 20–30 million Americans have impaired glucose tolerance, a potentially pre-diabetic condition. The Centers for Disease Control and Prevention's National Center for Injury Prevention and Control (Atlanta) pronounces diabetes to be the sixth-leading cause of death by disease in the United States. Overall, the diabetes glucose monitoring industry is forecast to reach sales of \$10 billion in 2008, expanding 10-15% annually during the 2000-2008 forecast period and beyond.

The World Health Organization estimates that 300 million adults will have diabetes world-wide by 2025. The steady growing number of older, overweight adults who do not exercise regularly, and the increasing recognition of the need for tight glycemic control are driving not only therapy markets for diabetes and its complications, but also the related diagnostic and device sectors. Most notable among these is the blood glucose monitoring market, currently worth over \$10 billion worldwide and growing at a rate of 10-15% per year. Diabetes is estimated to cost the country \$48 billion annually in direct medical costs and \$60 billion in productivity losses attributable to lost workdays, disability, and premature death. Effective management of glucose levels in sufferers through self-monitoring of blood glucose, is paramount in controlling the condition.

PRODUCT - The Company has invented, designed and tested an improved glucose monitoring device that is superbly user-friendly, potentially more economical and less costly to manufacture, and therefore more marketable. The Company has completed the concept design and testing, and is currently engaged in the early phase of product development. In a recently conducted "mini-clinical" trial the soundness of the "proof-of-the principle" was successfully demonstrated. The US Patent No. 7,378,270 issued recently, covers the above product. Additional patent applications are scheduled to be filed immediately after securing initial financing. The Company is seeking to establish a joint venture/collaboration with large corporate entities in the diabetes test market as marketing partners.

Sentec's glucose monitoring product is an **integrated system** designed to include two components:

- a) A **device** capable of receiving, dispensing, analyzing and displaying results from a continuous band of test tape, and
- b) An **extremely cost effective cassette** that houses the test tape within. The cassette includes an exposed test zone open to the ambient space capable of receiving sequentially as many as 50 small samples for blood glucose analysis. At the completion of the tests on board, the cassette can be retrieved from the device and disposed safely.

MANAGEMENT

Sentec Scientific is currently located at the Carrie P. Meek Center for Business at Homestead, Florida, a fully integrated small business incubator with state-of-the-art amenities and services,

managed by Business and Technology Development Corp. of Florida. The Company occupies office space and laboratory space suitable for industrial R&D. The Company plans include local expansion for manufacture and assembly of its device and cassette components.

Dr. Roobik Azarnia: Founder, president, has over 25 years of experience and expertise in the in-vitro diagnostics industry and academic R&D. For over 15 years he was directing biosensor and immunomagnetic based R&D at Coulter Corporation of Florida and Immunicon Corporation of Pennsylvania and managing groups of scientists, engineers and technicians. Prior to that he was co-founder and president of MegaTechnologies, Inc., a start-up biotech company engaged in home glucose monitoring device development. He has published numerous scientific articles and patents. Dr. Azarnia holds a Bachelors degree in Biology from San Francisco State University and a Doctorate in Physiology and Biophysics from University of Miami School of Medicine.

Mr. Sam Martin: Board Member and advisor, is a Director of Connectyx Technologies, Corp. He is a co-founder of FlexSite Laboratories, a supplier of home testing devices, and until recently had served as Chief Executive Officer since its inception in 1997. Prior to FlexSite, Mr. Martin served as President & CEO of Serex, Inc., a bio-diagnostic company subsequently acquired by NYMOX Pharmaceuticals [NASDAQ: NYMX]. From 1991 to 1994 he served as President & CEO of Home Diagnostics, Inc. (HDI) a \$100 million manufacturer & marketer of blood glucose monitoring products. He previously served as Vice President of Sales & Marketing at HDI from 1985 through 1991. From 1976 through 1984 Mr. Martin held director level position in sales, marketing, and operations with divisions of American Hospital Supply Corporation (now Allegiance). Mr. Martin holds a Bachelor of Science degree in Marketing from San Jose State University and a Master of Business Administration from the University of California, Berkeley.

Dr. Robert Ray Ph.D.: VP Manufacturing and Regulatory Affairs, is Co-founder, President and CEO of FlexSite Diagnostics. Dr. Ray is a biochemist with over 30 years of experience in the diagnostics industry. Prior to founding FlexSite, he was President of CheckPoint Development, Inc., a consulting and contracts development enterprise. He has served as Vice President of Home Diagnostics, Business Manager of Coulter's Chemistry business, President of London Diagnostics, Vice President of R&D for Baxter Dade, and General Manager for Immunosystems at Beckman Instruments. Dr. Ray holds a Bachelors degree in Chemistry, a Masters degree in Biochemistry, and a Doctorate in Biochemistry, all from The University of Nebraska. He is also a graduate of The University of California, Los Angeles Graduate School of Management.

SERVICE TEAM:

Attorney	Edwards & Angell, LLP	
Accountant	Anita Rodriguez, CPA	
Bank	Wachovia Bank, NA	
Consultants	James Walker	Mechanical Engineer
	Carlos Rodriguez	Senior Systems Design Engineer
	Karen A. Azarnia	Corporate Communications
	Thomas R. Russell, PhD	Senior Scientific Advisor.

CAPITAL REQUESTED and/or BUSINESS OPPORTUNITY:

Sentec Scientific Inc. is seeking a modest cash infusion for additional patent applications, market research, completion of a robust business plan, completion of a premanufacturing prototype and consultant fees. These efforts will enable the Company to attract adequate financing through Angel Investor Networks, Venture Capital firms and /or through collaboration with established marketing firms active in the diabetes test arena.

Sentec Scientific, Inc. has the potential to create a strong and profitable business with sales beginning at year three and strong potential up-growth. The Company projects it will be self-sufficient through product sales and/or royalties by mid 2011, with revenues breaking the \$ 5 million mark on the way to potential revenue in the tens of millions of dollars. Future growth will come from market share expansion of existing product and new product development based on the core technologies. The Company forecast for the number of new employees in its first year of operation to be seven, while growing up to fifty four in its fifth year of operation.

**AGREEMENT BETWEEN SOLID FOUNDATION AND
METRO-MIAMI ACTION PLAN TRUST**

This Agreement (hereinafter "Agreement") is entered this day ____ of August, 2008, by and between SOLID FOUNDATION LEARNING CENTER, INC., a Florida Corporation (hereinafter "Solid Foundation") and METRO MIAMI ACTION PLAN TRUST, an agency and instrumentality of Miami-Dade County, a political subdivision of the State of Florida (hereinafter "Trust").

WITNESSETH

WHEREAS, on August 1, 2005, Solid Foundation and the Trust entered into a Lease Agreement (hereinafter "Lease") for the property located at 13331 Alexandria Drive, Opa-Locka, Florida 33054 ("Premises") for the purpose of operating the Martin Luther King Jr. Leadership Academy; and

WHEREAS, on July 25, 2008, Solid Foundation and the Trust executed an Amendment to the Lease Agreement which extends the term of the Lease Agreement until August 31, 2008; and

WHEREAS, pursuant to Article XIII of the Lease Agreement entitled "SURRENDER OF PREMISES", Trust agreed to surrender the Premises to Solid Foundation in as good a condition as said Premises were at the time of the Lease, excluding normal wear and tear and damage caused by fire, windstorm or other Acts of God; and

WHEREAS, the parties have reached a mutual agreement on those certain items that are the responsibility of the Trust to repair and/or replace; and

WHEREAS, those certain items requiring repair and/or replacement by the Trust are listed in Exhibit A, which is attached hereto and incorporated by reference; and

WHEREAS, the parties desire that payment shall be made by the Trust to Solid Foundation in lieu of the Trust making said repairs to the items listed in Exhibit A,

NOW THEREFORE, in consideration of the premises contained herein, the parties hereto agree to the following:

1. That the items listed in Exhibit A are a total and complete accounting of all items that require repair and/or replacement by the Trust. The parties agree that the Trust shall not be responsible for making any repairs and/or to replacing any of the items listed in Exhibit A. Instead, the parties agree that in lieu of making said repairs and/or replacing said items, the Trust shall pay to Solid Foundation the sum of Nine Thousand Six Hundred Dollars and 00/100 (\$9,600.00) within thirty (30) days of the effective date of this Agreement. Any additional items that are discovered after the effective date of this Agreement shall be the sole responsibility of Solid Foundation to repair and/or replace.

2. **Release of Liability.** Simultaneously with the issuance of payment by the Trust to Solid Foundation, the parties shall execute and deliver the releases in the form attached as Exhibit "B" and "C", respectively.

3. **Notices:** All notices required or permitted under this Agreement shall be in writing and shall be deemed sufficiently served if delivered by Registered or Certified Mail, with return receipt requested; or delivered personally; or delivered via fax and followed with delivery of hard copy; and in any case addressed as follows:

(i) **To the Trust**

Metro-Miami Action Plan Trust
19 West Flagler, Room M-106
Miami, Florida 33130
Attn: John Dixon, Executive Director

(ii) **To Solid Foundation Learning Center, Inc.**

Solid Foundation Learning Center, Inc.
13451 Alexandria Drive
Opa-Locka, Florida 33054
Attn: Lila E.T. Taylor

Either party may at any time designate a different address and/or contact person by giving notice as provided above to the other party. Such notices shall be deemed given upon receipt by the addressee.

4. This Agreement, including Exhibits A, B and C, shall constitute the entire Agreement between the parties with respect hereto and supersedes all previous communications and representations or agreements, whether written or oral, with respect to the subject matter hereto unless acknowledged in writing by the duly authorized representatives of both parties.

5. Nothing in this Agreement shall be construed for the benefit, intended or otherwise, of any third party that is not a parent or subsidiary of a party or otherwise related (by virtue of ownership control or statutory control) to a party.

7. Nothing herein shall alter, affect, modify, change or extend any other agreement between the Solid Foundation, the Trust and Miami-Dade County unless specifically stated herein.

8. The invalidity of all or any part of this Agreement shall not render invalid the remainder of this Agreement or the remainder of such section, if the remainder would then conform to the requirements of applicable law.

9. This Agreement shall be governed under the laws of the State of Florida as to all matters, including but not limited to matters of validity, construction, effect and performance. Venue for any litigation between parties regarding this Agreement shall lie only in State and Federal court in Miami-Dade County, Florida.

10. Each of the parties hereto represents and warrants that it has full and complete authority to enter into and execute this Agreement under the terms set forth above.

11. This Agreement may be executed and delivered in separate counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts together shall constitute but one and the same instrument and agreement.

12. Subject to any mutually agreed upon extensions of time, nonperformance or delay in the performance by any party of any of its obligations under this Agreement, which is continuing after notice in writing and the expiration of any grace period provided for herein, shall constitute a default entitling the other party to exercise its rights and remedies for such default.

13. The parties warrant that (i) they have executed this Agreement with full knowledge of their rights; (ii) they have received independent legal advice from their attorneys with respect to the matters herein set forth and the rights and asserted rights arising out of said matters; and (iii) they have not relied on any statements or representations (other than representations set forth in this Agreement) by any other party or its representatives.

14. Each party has participated in the drafting and preparation of this Agreement and this Agreement shall be construed as a whole according to the fair meaning and not for or against any party.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS HEREOF, the parties have entered into this Agreement as of the Effective Date.

SOLID FOUNDATION

By: _____

Name: _____

Title: _____

Date: _____

METRO MIAMI ACTION PLAN TRUST

By: _____

Name: _____

Title: _____

Date: _____

Attest: _____
Clerk of the Board

Name/Title: _____

Approved for form and legal sufficiency:

Assistant County Attorney

Exhibit "A"
LIST OF ITEMS TO BE REPAIRED

Exhibit "B"

RELEASE

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, METRO-MIAMI ACTION PLAN TRUST ("First Party"), for and in consideration of Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by First Party, does hereby remise, release, acquit, satisfy and forever discharge SOLID FOUNDATION LEARNING CENTER, INC., together with its directors, officers, attorneys, employees, agents, insurers, successors and assigns (hereinafter collectively referred to as the "Second Parties"), of and from all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialities, covenants, contracts, controversies, agreements, promises, variances, trespasses, attorneys' fees, costs, judgments, executions, claims, damages, and demands whatsoever, in law or in equity, which the First Party ever had, now has, or may have against the Second Parties, from the beginning of the world to the day of this Release relating to the termination of the Lease Agreement between Metro-Miami Action Plan Trust and Solid Foundation Learning Center, Inc.

This will also acknowledge that the undersigned has been advised by counsel regarding the effect of the signing, swearing to, and delivering of this Limited Release; that no promise, inducement or agreement not expressed herein has been made to the First Party; that First Party has not assigned any claim against Second Parties to any person; that this Limited Release contains the entire agreement between the parties; and that the terms of this Release are contractual and not a mere recital.

IN WITNESS WHEREOF, we have hereunto set our hands and seal this _____ day of _____ 2008.

MIAMI-DADE COUNTY

Witness

By: _____

(print name)
(print title)

Witness



METRO-MIAMI ACTION PLAN TRUST

BOARD OF TRUSTEES MEETING

SEPTEMBER 3, 2008

Agenda



MEETING NOTICE

METRO-MIAMI ACTION PLAN TRUST

BOARD OF TRUSTEES MEETING

DATE: WEDNESDAY, SEPTEMBER 3, 2008

TIME: 12:00 PM

**LOCATION: BISCAYNE BUILDING
19 WEST FLAGLER STREET – SUITE M106
MIAMI, FLORIDA 33130**



MEETING NOTICE

MIAMI-DADE COUNTY BUDGET HEARING

FIRST HEARING THURSDAY, SEPTEMBER 4, 2008

SECOND HEARING FRIDAY, SEPTEMBER 19, 2008

BEGINNING TIME: 5:01 PM

**LOCATION: DADE COUNTY COMMISSION CHAMBERS
STEPHEN P. CLARK BUILDING
111 NW 1ST STREET
MIAMI, FLORIDA 33128**



**METRO-MIAMI ACTION PLAN TRUST
TRUST BOARD MEETING
SEPTEMBER 3, 2008
AGENDA**

Page

Roll Call

DISCLOSURE OF CONFLICTS OF INTEREST

QUERY FOR EARLY DEPARTURES

Approval of Previous Minutes

I. Trust Action Items

A. Committee Action Items

- 1. Housing
- 2. Education
 - A. MLK Leadership Academy**
 - B. MLK Repairs**
- 3. Criminal Justice
 - A. Teen Court Basketball Tournament 1**
- 4. Community and Economic Development
- 5. Legislative
- 6. Budget

B. Additional Trust Action Items:

- 1. Congressional Black Caucus (CBC) Conference**
- 2. MMAP Audit Report**

II. Trust Information Items

A. Committee Information Items

- 1. Housing
 - A. Sailboat Cove Update**
 - B. Hap Budget Update**
- 2. Education
- 3. Criminal Justice
- 4. Community and Economic Development
 - A. Sentec Scientific Presentation**
- 5. Legislative
- 6. Budget

B. Additional Trust Information Items:



III. Executive Director's Action Items

IV. Executive Director's Information Items

Adjourn

* Submitted at Board Meeting

**Not submitted

MOA – Memorandum of Approval



TRUST ACTION ITEM

EDUCATION

ITEM I.A.2.A

MLK LEADERSHIP ACADEMY



MEMORANDUM OF APPROVAL

To: Members of the MMAP Trust

**From: Dr. Marzell Smith, Chair
Education Committee**

Date: September 2, 2008

Subject: MLK Leadership Academy

PURPOSE OF ITEM:

The purpose of this item is to request the Board of Trustees to amend the Board's decision to re-open the MLK Leadership Academy if favorable financial conditions exist.

BACKGROUND:

The MMAP Trust voted to close the Academy for school FY 2008/09 due to a fiscal deficit. The Trust expressed it would review re-opening the Academy if the proper resources were available in the future.

FISCAL IMPACT TO AGENCY

TBA



TRUST ACTION ITEM

EDUCATION

ITEM I.A.2.B

MLK REPAIRS



MEMORANDUM OF APPROVAL

To: Members of the MMAP Trust

From: John Dixon, Interim Director

Date: September 2, 2008

Subject: MLK Leadership Academy Repairs

PURPOSE OF ITEM:

The purpose of this item is for the Trust to approve a payment \$9,600 to the Solid Foundation for the repairs at the MLK Academy.

BACKGROUND:

The MMAP Trust voted to close the MLK Academy for school year 2008/09 due to a fiscal deficit. Upon the decision of the Trust to close MLK, staff toured the Academy with the facility landlord to identify items that require repair and/or replacement by the Trust. The County Attorney's Office drafted an agreement between the MMAP Trust and The Solid Foundation that waives any future expenditure and liability. The budget department has agreed to include this expenditure in the overall MLK budget deficit.

FISCAL IMPACT TO AGENCY

The fiscal impact is \$9,600.00 from the General Fund Budget.

RECOMMENDATION

It is recommended that the MMAP Trust approve the \$9,600 payment to the Solid Foundation for the repairs at the MLK Academy.



TRUST ACTION ITEM

CRIMINAL JUSTICE

ITEM I.A.3.A.

**TEEN COURT BASKETBALL
TORNAMEMENT**



MEMORANDUM OF APPROVAL

TO: Members of the MMAP Trust
FROM: *John Dixon*
John Dixon
Interim Executive Director
DATE: September 3, 2008
SUBJECT: Teen Court Basketball Tournament

PURPOSE OF ITEM:

The purpose of this item is to have the Metro-Miami Action Plan (MMAP) Trust Board of Trustees (Board) authorize an expenditure of \$5,100.00 for the Teen Court Basketball Tournament in observance of the month of September which is Teen Court month.

BACKGROUND:

The Positive Choice Youth Center will be coordinating the Teen Court Basketball Tournament between the volunteers and referred students from North, Central, Hialeah and South Courts each having a team. The games will be hosted at the American Senior High School gym, located at 18350 N.W. 67th Avenue, Hialeah, Florida. The tournament will be played on Saturday, September 20, 2008, starting at 9:00 a.m. to 3:00 p.m. This event will have armed officers to ensure security.

FISCAL IMPACT TO AGENCY:

The fiscal impact is \$5,100.00 that will be taken from the Teen Court budget.

RECOMMENDATION:

It is recommended that the Board of Trustees of Metro-Miami Action Plan (MMAP) Trust authorize an expenditure of \$5,100.00 for the Teen Court Basketball Tournament.



TRUST ACTION ITEM

ADDITIONAL ITEM I.B.1

**CONGRESSIONAL BLACK CAUCUS
(CBC) CONFERENCE**



MEMORANDUM OF APPROVAL

To: Members of the MMAP Trust

From: John Dixon, Interim Director

Date: September 2, 2008

Subject: Congressional Black Caucus

PURPOSE OF ITEM:

The purpose of this item is for the Trust to approve \$4,135.80 for the Interim Executive Director, the Chairman and the Chairman of the Legislative Action Committee to attend the ALC Congressional Black Caucus held September 24-27, 2008 in Washington, D.C. The cost for this event will be paid from the MMAP Trust account. In addition, I have contacted Congressman Kendrick Meek's office to schedule meetings for the Trust with the Dept. of Justice and HUD in an effort to inquire about MMAP opportunities.

BACKGROUND:

The ALC Congressional Black Caucus (CBCF) presents the Annual legislative Conference each year, typically in September, at the Walter E. Washington Convention Center in Washington, D.C. The major components of ALC are the Issue Forums and Braintrusts convened by the members of the Congressional Black Caucus. Other major activities include the National Town Hall Meeting, the Emerging Leaders Series, the Annual Prayer Breakfast and the Annual Awards Dinner. A number of fundraising events, concerts and networking receptions are also scheduled during ALC. The objective of the Annual Legislative Conference is to educate individuals on pressing legislative and policy issues of critical concern to the African American community. The funds that are raised during ALC help to fund the educational programs, scholarships and research initiatives sponsored by the Congressional Black Caucus Foundation. The conference will be held Wednesday, September 24 – Saturday, September 27, 2008. It will be held at The New Washington Convention Center, 801 Mount Vernon Place, NW, Washington, DC 20001.

FISCAL IMPACT TO AGENCY

The fiscal impact is \$4,135.80 from the MMAP Trust Fund.

RECOMMENDATION

It is recommended that the MMAP Trust approve the expenditure of \$4,135.80 from the MMAP Trust Fund for the Interim Executive Director, the Chairman and the Chairman of the Legislative Action Committee to attend the ALC Congressional Black Caucus held September 24-27, 2008 in Washington, D.C.



TRUST INFORMATION ITEM

ADDITIONAL ITEM I.B.2

MMAP AUDIT REPORT

PURPOSE AND SCOPE

As requested by the County Manager's Office, we conducted a follow up to our previous audits of the Metro-Miami Action Plan Trust (MMAP), including the MMAP Surtax Loan Funding report dated April 5, 2004, as well as pertinent findings in the April 5, 2005 report of the MMAP Foundation, Inc., to determine if corrective actions planned have been taken. Additionally, we reviewed activities and expenditures for the period from October 1, 2004 through September 30, 2007 to determine if funds were expended according to established program guidelines and properly administered in compliance with regulatory and other contractual requirements. We also interviewed staff, examined pertinent records supporting disbursements and expenditures, and performed other procedures deemed necessary to accomplish the audit objectives.

BACKGROUND

MMAP was established in 1983 to address existing disparities between African-Americans and the community at large. In an effort to address housing deficiencies, in 1994 MMAP lobbied for and was awarded 8% of the Documentary Surtax monies annually received by Miami-Dade County (the County). Surtax funds are primarily earmarked for MMAP's Homeownership Assistance Program (HAP), which provides financial assistance to low-income, first-time homebuyers for down payment and/or closing costs. HAP funds are granted as deferred second or third mortgage loans that are forgivable after 10 years if homeowners do not sell or transfer the property.

Additionally, MMAP annually receives 8% of Local Business Tax Receipts collected by the County pursuant to a grant agreement with The Beacon Council of Miami-Dade County, Inc. These monies are intended for implementation of a comprehensive economic development strategy through advertising, promotional activities, and other sales and marketing techniques. Revenue and expenditures for the audit period are summarized in Schedule I.

DRAFT
FOR DISCUSSION ONLY

SUMMARY RESULTS

For the four years ended September 30, 2007, MMAP received \$26.2 million in revenue (Table I), of which \$21 million was used to fund various programs, including \$3.9 million disbursed for administrative expenses (Table II).

Table I
MMAP Sources of Revenue

	2003	2004	2005	2006	2007
Documentary Stamp Surtax	\$ 2,957,692	\$ 4,009,744	\$ 3,807,965	\$ 2,855,717	\$ 13,631,118
MMAP Administration (General Funds)	1,022,360	998,265	968,317	903,481	3,892,423
Teen Court	1,091,489	164,687	1,123,688	1,277,132	3,656,996
MLK Academy	640,603	804,801	651,760	618,434	2,715,598
Economic Development (8% Local Business Tax)	312,690	292,074	346,730	280,311	1,231,805
Federal Grant - Overtown Revitalization	-	500,000	17,994	-	517,994
Other	19,522	117,336	264,173	156,746	557,777
	<u>\$ 6,044,356</u>	<u>\$ 6,886,907</u>	<u>\$ 7,180,627</u>	<u>\$ 6,091,821</u>	<u>\$ 26,203,711</u>

Source: Financial Accounting Management Information System (FAMIS) General Ledger Reports

Overall, while MMAP is investing its resources in programs intended to benefit the target community, documentary support for expenditures incurred and program accomplishments was sorely lacking. At times monies were granted absent a competitive process and without establishing clear goals and objectives for program accomplishments. Funds were advanced in many instances upon contract execution, rather than after achievement of expected results and submission of documented expenditures. Even when support for expenditures had been obtained, it was not always complete or adequate to substantiate payments made, yet little was done to resolve deficiencies. Monitoring activities were also ineffective to assure required progress reports were submitted by grantees and program objectives achieved. Contract drafting and monitoring controls need to be enhanced to assure recipients are held accountable for use of funds in accordance with program requirements and performance expectations.

Table II
MMAP Program Expenditures

	2003	2004	2005	2006	2007
Documentary Surtax Program	\$ 561,725	\$ 672,305	\$ 615,369	\$ 5,973,492	\$ 7,822,891
Teen Court Operation	1,645,186	1,018,915	858,796	806,973	4,329,870
MMAP Administration	1,022,360	998,265	968,317	903,481	3,892,423
MLK Academy	613,804	804,802	717,606	659,844	2,796,056
Economic Development (8% Local Business Tax)	43,711	508,945	389,660	500,273	1,442,589
Federal Grant - Overtown Revitalization	-	500,000	17,994	-	517,994
Other	23,027	29,171	21,796	101,821	175,815
	<u>\$ 3,909,813</u>	<u>\$ 4,532,403</u>	<u>\$ 3,589,538</u>	<u>\$ 8,945,884</u>	<u>\$ 20,977,638</u>

Source: FAMIS General Ledger Reports

More specifically, MMAP used \$7.8 million of the \$13.6 million in Documentary Stamp Surtax revenue to fund mortgages for first-time home buyers under its Housing Assistance Program (Table II). In 2005 MMAP awarded \$1.3 million in subsidies under a special

lottery initiative to seven low- to moderate-income first-time home buyers (Schedule II). These subsidies were granted as 0% interest rate, non-amortized second mortgages for up to 75% of the property's purchase price, forgivable after 20 years if the homestead is maintained. With high demand for housing assistance in Miami-Dade County, we question the benefit of this program which helped few individuals. In essence, these subsidies were gifts, given that first mortgages were small in comparison to the home's value. Another \$508,050 was granted as consolation to 13 other applicants who received second to fifth mortgage subsidies ranging from \$24,000 to \$98,225. Further, we found that County Affordable Housing Guidelines governing the use of these funds were violated in most instances.

For example, the maximum purchase price for a home should not have been greater than \$225,000, yet eight properties exceeded this amount by \$8,000 to \$50,000. Subsidy amounts are governed by the applicant's income in relation to the County's average median income, and we found that total subsidies, including MMAP and other County funding, exceeded allowable amounts in 18 of the 20 loans. Down-payment requirements of 3% were also not met in 16 cases. Management asserted that MMAP Board approval of lottery program requirements was sufficient to award these subsidies; however, the County's Surtax guidelines should have been considered and adhered to in establishing program criteria. Prospectively, MMAP should ensure the County's Affordable Housing Guidelines are complied with or risk losing Surtax revenues.

Management acknowledged that Local Business Tax Receipts totaling \$3.5 million since inception of the June 1994 Agreement between the Beacon Council and MMAP, of which \$1.4 million was spent during the four years ended September 30, 2007, have not been utilized in accordance with contractual requirements. Monies were to be used to implement a comprehensive economic development strategy through advertising, promotional activities, and other sales and marketing techniques for the African American community. The \$1.4 million spent during the four years reviewed should be reimbursed to the Fund. Management should consult with the Office of the County Attorney as to the course of action with respect to the other \$2.1 million previously received.

Table III
Summary of Questioned Costs by Funding Source

Documentary Stamp Surtax	\$ 1,524,577	\$ 53,755	\$ 198,697	\$ 106,961	\$ 1,883,990
8% Local Business Tax	550,644	541,912	395,246	(45,213)	1,442,589
Federal Grant - Overtown Revitalization	-	483,333	-	-	483,333
General Fund	-	212,762	141,250	-	354,012
Teen Court	-	-	136,603	163,043	299,646
MLK Academy	-	-	-	1,480	1,480
Multiple funding sources	-	-	-	184,122	184,122
	<u>\$ 2,075,221</u>	<u>\$ 1,291,762</u>	<u>\$ 871,796</u>	<u>\$ 410,393</u>	<u>\$ 4,649,172</u>

In summary, we are questioning \$4.65 million in program costs that were not substantiated with adequate documentation, not allowed by program guidelines, or did not evidence achievement of program objectives (Table III). MMAP must reimburse the Surtax and 8% Local Business Tax Receipts Programs for the questioned costs, unless they can otherwise substantiate the charges. They must also seek to recapture monies from grantees and others who failed to substantiate proper use of public funds.

The MMAP Board should exercise greater diligence to assure that resources available to the organization are utilized in accordance with program guidelines. The Board of County Commissioners should consider a rotation policy for MMAP Board members to assure independence and objectivity. Board members should have the required expertise to discharge their assigned responsibilities and receive appropriate training on their roles and expectations.

These and other detailed findings, together with our recommendations, are more fully discussed in the remainder of this report. We appreciate the courtesies and assistance extended to our staff during the audit process. Please provide a written response within 30 days, in accordance with Administrative Order 3-7. Should you have questions or need additional information, please call Susie Gugliotta, Audit Manager, at 305-349-6100.

DOCUMENTARY SURTAX PROGRAM

Pursuant to Florida Statute 201.031, the County is authorized to levy a discretionary surtax on documents to assist in financing construction, rehabilitation, or purchase of housing for low- and moderate-income families. Authorized uses of revenue generated through this documentary surtax include, but are not limited to, providing first and second mortgages and acquiring property to form housing cooperatives. No more than 50% of revenue collected each year may be used to help finance new construction, and none may be used for rent subsidies or grants.

In June 1994, the Board of County Commissioners (BCC) authorized that 8% of the Documentary Stamp Surtax collected be allocated as a dedicated source of funding for MMAP. The controlling policy governing expenditure of this revenue is the Miami-Dade County Affordable Housing Program Guidelines. Approximately \$14 million in Documentary Surtax revenue was received over the four years ended September 30, 2007. Expenditures, including loan disbursements, totaled \$10.5 million, as summarized in Table IV.

**Table IV
Documentary Surtax Revenue and Expenditures
For the Four Years Ended September 30, 2007**

Revenue						
Documentary Stamp Surtax	\$ 2,957,692	\$ 4,009,744	\$ 3,807,965	\$ 2,855,717	\$13,631,118	
Other	10,134	76,002	194,574	123,621	404,331	
	<u>2,967,826</u>	<u>4,085,746</u>	<u>4,002,539</u>	<u>2,979,338</u>	<u>14,035,449</u>	
Expenditures						
Salaries and Benefits	477,079	518,367	574,629	684,206	2,254,281	\$ 1,524,577
Consulting Services	69,742	99,329	19,545	50,677	239,293	198,697
Grants to Others	350	2,800	-	50,605	53,755	53,755
Temporary Help	10,831	26,275	-	11,096	48,202	48,202
Other Contractual Services	-	2,500	1,912	4,352	8,764	2,500
Other Operational Costs	3,723	23,034	19,283	33,799	79,839	56,259
	<u>561,725</u>	<u>672,305</u>	<u>615,369</u>	<u>834,735</u>	<u>2,684,134</u>	<u>\$ 1,883,990</u>
Net Surplus	<u>\$ 2,395,967</u>	<u>\$ 3,337,439</u>	<u>\$ 3,192,596</u>	<u>\$ 2,020,982</u>	<u>\$10,946,984</u>	
Net Loans Issued (Memo Only)	<u>\$ 387,887</u>	<u>\$ 726,752</u>	<u>\$ 4,260,880</u>	<u>\$ 2,464,281</u>	<u>\$ 7,839,800</u>	<u>\$ 1,830,235</u>
Fund Balance (Memo Only)	<u>\$12,198,167</u>	<u>\$15,611,608</u>	<u>\$18,998,777</u>	<u>\$16,004,623</u>		

Source: FAMIS General Ledger Reports

Based on our analysis of expenditures incurred, we have questioned \$1.88 million because the costs are either unsupported or unallowable under Program guidelines, as further explained below. Prospectively, MMAP should ensure that only allowable disbursements are charged to the Program. We also found that 18 of the 20 loans issued under the Homeownership Lottery Initiative exceeded maximum allowed subsidies under the Affordable Housing Guidelines by \$1.8 million.

Homeownership Assistance Program – Lottery Initiative

In 2005, MMAP Board of Directors allocated \$1.5 million to the Housing Assistance Program (HAP) lottery initiative. The purpose of the lottery was to assist low income, first-time home buyers in targeted urban areas by providing 0%-interest-rate, non-amortized second mortgage loans up to 75% of the home's purchase price, forgivable after 20 years if homestead is maintained. Ten winners were chosen, though only seven met all requirements and were granted loans (Schedule II). Another \$1.35 million was approved to provide up to \$25,000 in homeownership assistance to eligible participants from the remaining 54 lottery applicants. Additional individual subsidies could be provided on a case by case basis, subject to the approval of MMAP's President/CEO.

Notices were placed in several newspapers, including the Miami Herald, announcing the Homeownership Lottery Initiative and a Pre-Application Conference scheduled for February 9, 2006. However, the notification was published that same week, and interested parties had to RSVP within 2 days of the notice. At the suggestion of conference attendees, which included lenders, realtors, Community Based Organizations and the general public, the application submission deadline was extended to March 9, 2006. While the approved Program memorandum in MMAP files stated applications would be available at various strategic locations, the ad only made reference to one location – the South Florida Board of Realtists – for those who could not attend the pre-application conference but wanted to apply for the program.

With high demand for housing assistance in Miami-Dade County, we question the manner in which the lottery was structured. The HAP is designed to provide down payment and closing cost assistance to first-time home buyers. However, the Lottery provided significant subsidies to only a handful of individuals, in effect awarding them homes as gifts, since these second mortgages were forgivable after 20 years and first mortgages were small in comparison to the purchase price. Further, Surtax housing guidelines were exceeded in almost all loans, as summarized below and detailed on Table V.

- For eight loans, the property purchase price exceeded the \$225,000 cap by \$8,000 to \$50,000.
- Maximum subsidy caps based on borrower's income as a percentage of the Area Median Income (AMI) were exceeded by \$1.8 million for 18 of the 20 loans issued. Subsidy caps consisted of \$60,000 for borrowers at 50% or below the AMI, \$50,000 between 51% to 80%, and \$40,000 between 81% and 100%.
- Sixteen of the borrowers did not meet the minimum down-payment requirement of 3% of the purchase price. In fact, two put down only .33% and .71%, which was less than the minimum 1% established by MMAP's lottery guidelines.

Table V
Loans Exceeding Surtax Guidelines

41835	\$ 275,000	\$ 50,000	\$ 206,250	\$ -	\$ 206,250	62%	\$ 156,250	2.01
41858	275,000	50,000	206,250	-	206,250	65%	156,250	2.26
42061	269,700	44,700	202,275	-	202,275	67%	152,275	1.25
41968	265,000	40,000	198,750	-	198,750	NA	138,750	0.99
41881	240,000	15,000	180,000	40,000	220,000	NA	160,000	3.68
41842	240,000	15,000	24,000	170,400	194,400	NA	134,400	1.01
42262	236,000	11,000	64,825	136,760	201,585	35%	141,585	1.04
41843	233,000	8,000	174,750	-	174,750	52%	124,750	2.12
41705	225,000	-	25,000	162,000	187,000	NA	127,000	2.97
42763	225,000	-	98,225	70,000	168,225	NA	108,225	1.00
42128	218,000	-	56,000	115,000	171,000	NA	111,000	0.71
42244	189,000	-	141,750	-	141,750	NA	81,750	1.05
42212	185,000	-	25,000	53,000	78,000	NA	18,000	4.73
42135	180,000	-	25,000	85,000	110,000	NA	50,000	1.00
42144	170,000	-	45,000	60,000	105,000	NA	45,000	1.00
42335	165,000	-	25,000	70,000	95,000	NA	35,000	1.74
42036	150,000	-	25,000	60,000	85,000	83%	45,000	1.58
42055	149,999	-	25,000	70,000	95,000	53%	45,000	0.33
	\$ 3,890,699	\$ 233,700	\$ 1,748,075	\$ 1,092,160	\$ 2,840,235		\$ 1,830,235	

¹ Excess based on maximum purchase price of \$225,000.

² Excess based on \$60,000 cap if % of AMI not available or below 50%; otherwise, based on \$50,000 for 51%-80% and \$40,000 for greater than 80% of AMI.

NA=Loan not part of income eligibility test, thus information not obtained.

Though Surtax guidelines do not restrict funding to specific geographical areas, the Lottery initiative as presented to and approved by the Board identified eligible applicants as those residing in 18 targeted urban areas. At least five of the seven winners selected did not reside within a targeted urban area, while another could not be determined, as the applicants' previous address was not on file (Schedule II).

Only 13 of the 54 consolation winners met Program guidelines. Five of the 13 received additional subsidies at the discretion of the President/CEO. File documentation in support of additional funding included loss of other subsidy and single parent status, among other reasons. Without pre-established guidelines, the organization may be subjecting itself to claims of preferential treatment.

Recommendation

Loans issued with Surtax funds should adhere to Program guidelines, as non-compliance may result in loss of Surtax revenues. Prospectively, special initiatives such as a lottery need to be carefully considered, weighing the benefits of assisting a larger segment of the population or only a limited few. Guidelines for supplemental program benefits should be pre-established to avoid perceptions of preferential treatment. Sufficient lead time and wider range of locations should

be provided for distribution of program applications to assure greater community participation.

File Documentation

We reviewed 44 loan files to assess adequacy of supporting documentation and file management (Schedule II). Paperwork was not filed logically, but rather loosely stacked in folders as documents were obtained. We frequently found multiple copies of single documents, and key forms, such as loan applications, were not readily available. Even after follow up with staff, 23 of the 44 files reviewed (52%) were missing key documents, such as the mortgage, settlement statements, title insurance commitments, and/or promissory notes. Deficiencies noted are detailed in Schedule III. A similar finding was cited in our last Audit Report dated April 5, 2004.

We also sampled ten of the loan recipients to determine if they met the income limit requirements set forth by Surtax guidelines. Some differences were noted between the average median income as calculated by MMAP and AMS, albeit all ten applicants tested were deemed eligible. However, five of the ten files reviewed lacked qualification worksheets that served as partial support for MMAP's calculations. MMAP staff acknowledged document filing was not up-to-date, and the post-closing document review procedure usually performed by staff was pending on 582 loans issued during fiscal year 2007.

Recommendation

Revamp the filing system, providing for organized sections within each file folder for key documents. A comprehensive loan documentation checklist should also be utilized to ensure required documents have been obtained and filed. Complete the pending post-closing reviews to ensure required documents have been obtained and MMAP HAP funds properly applied.

Account Reconciliation

As of September 30, 2007, the MMAP loan portfolio recorded in the County's Financial Accounting Management Information System (FAMIS) consisted of 3,154 loans with outstanding balances totaling \$19.2 million (Table VI and Schedule IV).

Table VI
Loan Balances as of September 30, 2007 by Account Status

Active Loans	2,944	\$ 18,577,358	350	\$ 904,514	2,594	\$ 17,672,844
Loans in Foreclosure	118	319,644	88	232,026	30	87,618
Payoffs	49	162,753	18	47,572	31	115,181
Forgivable Loans	21	57,232	21	57,232	-	-
Cancelled Loans	15	53,048	7	18,693	8	34,355
Loans Pending	4	46,200	-	-	4	46,200
Loans in Bankruptcy	3	8,580	2	5,680	1	2,900
Inactive Loans	210	647,457	136	361,203	74	286,254
Net per ACCESS Database	3,154	\$ 19,224,815	486	\$ 1,265,717	2,668	\$ 17,959,098

Source: MMAP's Access Data-Base files

In addition, MMAP tracks loan activity in an ACCESS database, however, in comparing account balances with FAMIS records, the following discrepancies were noted:

- There are 350 active loans outstanding more than 10 years totaling \$904,514 (Table VI) that are forgivable if the original borrower maintains the homestead. These should be researched to determine if they can be forgiven and those mortgages satisfied. Loan repayment should be sought if the property is no longer owned by the original borrower.
- There are 136 loans over ten years old totaling \$361,203 and 74 issued since 9/30/07 amounting to \$286,254 which remain on MMAP's system and in FAMIS, though their status is no longer active (e.g., foreclosed, paid off, etc.) (Table VI). These loans should be promptly researched and appropriate corrective action taken.
- As noted in Schedule IV, loan balance discrepancies between FAMIS and ACCESS netted \$59,073 for the 3,154 loans recorded in both systems. Individual loans comprising this difference should be adjusted accordingly.
- There are 456 loans totaling \$1.1 million in the ACCESS database that were not reflected in FAMIS, of which 419 were in payoff status.

A similar finding was cited in our last Audit Report dated April 5, 2004.

Recommendation

Discrepancies noted should be researched and appropriate corrective actions taken. Prospectively, reconcilements of ACCESS and FAMIS should be performed at least annually and differences promptly resolved.

Salaries and Benefits

Salaries and fringe benefits totaled \$2.25 million, of which only \$729,704 represented direct Surtax Program costs. An additional \$1.52 million was allocated, representing a percentage of the salaries of other administrative staff; however, support for the allocation was not provided (Table IV).

Table VII
Documentary Surtax Program Analysis of Salaries and Benefits

	2003	2004	2005	2006	2007
Direct Salaries	\$ 123,047	\$ 129,302	\$ 146,978	\$ 172,831	\$ 572,158
Fringe Benefits	28,532	33,065	44,511	51,438	157,546
Cross Salaries/Salary Reimbursement	325,500	356,000	383,140	459,937	1,524,577
	<u>\$ 477,079</u>	<u>\$ 518,367</u>	<u>\$ 574,629</u>	<u>\$ 684,206</u>	<u>\$ 2,254,281</u>

Recommendation

MMAAP should substantiate the indirect payroll charges or reimburse the Surtax program accordingly.

Consulting Services

During the audit period, consulting services totaled \$239,293, of which we are questioning \$198,697 (Table IV), as charges were either unallowable or unsupported, as noted below (Table VIII).

Table VIII
Consulting Services For Four Years Ended September 30, 2007

M-Car Consultants & Associates, Inc.	\$ 59,992	\$ 45,529	\$ 8,989	\$ -	\$ 114,510	\$ 114,510
South Florida Board of Realtists	9,750	40,000	-	21,908	71,658	62,908
E. Johnson	-	-	7,077	24,769	31,846	-
Others	-	13,800	3,479	4,000	21,279	21,279
	<u>\$ 69,742</u>	<u>\$ 99,329</u>	<u>\$ 19,545</u>	<u>\$ 50,677</u>	<u>\$ 239,293</u>	<u>\$ 198,697</u>

Source: FAMIS General Ledger Reports

M-CAR Consultants & Associates, Inc.

In March 2003, the MMAAP Board approved \$50,000 from the Documentary Surtax Program to execute a sole-sourced contract with M-CAR Consultants & Associates, Inc. over a two-year period. According to Agreements dated April 1, 2003, half the monies were earmarked to administer a Homeownership Assistance Program (HAP) for up to 100 families, with the remainder allocated for real estate development consulting services relative to potential housing projects. The HAP contract encompassed Program marketing, executing sales contracts on behalf of buyers, developing a pool of lenders, coordinating a homebuyer education course, and assisting approved applicants with loan closings.

On September 27, 2003, the real estate development/construction consulting agreement was increased by \$70,000 for M-Car to perform inspections under the Emergency Response Initiative (ERI) associated with 24 to 60 homes damaged by a tornado in March 2003. The consultant worked jointly with the Community Action Agency (CAA), a County Department that provides monetary and oversight assistance to low income applicants in rehabilitating their homes, including inspections and approval of work performed by contractors selected by homeowners. It is unclear why MMAP did not refer its clients or work directly with CAA. The need for a consultant duplicating CAA's efforts seems unwarranted, as correspondence in file evidenced continuous meetings between the consultant, CAA staff inspectors, and eligible applicants.

Al Townsel and David W. Harder, members of M-Car's consulting team, charged \$75 an hour to attend meetings and conduct home inspections, a function CAA normally performs. Al Townsel, Inc., whose principal is Al Townsel, worked with M-Car pursuant to a Memorandum of Understanding. Mr. Harder, a general contractor employed by M-Car, was formerly the Executive Director of Little Haiti Housing Association until January 2003. In fact, some of the billings for real estate development activities indicated M-Car was working with Little Haiti Housing Association, including the preparation of a commitment letter for Condos and file audits for 10 clients to test mortgage readiness.

M-Car was paid \$114,510 of the \$120,000 contract amount (Table VIII). MMAP staff repeatedly questioned whether billings should be approved before the consultant could relate work products and delineate activities conducted. They also expressed concerns regarding excessive hours billed for certain areas and lack of support for training conducted, including location, provider, and participants. Payments continued in spite of these deficiencies, and we found no documentation supporting deliverables received from M-CAR.

Other Consultants

MMAP paid \$71,658 to the South Florida Board of Realtists (SFBR), of which \$61,908 pertained to a one-year \$120,000 renewable contract dated August 22, 2005 for a promotional and outreach campaign for 2005-2006 (Table VIII). The two payments for \$40,000 and \$21,908 were not adequately supported, although staff commented deficiencies were corrected. The contract was terminated at the conclusion of the first year, as staff indicated SFBR did not take steps to ensure timely achievement of contracted services. A similar finding was noted in our Audit Report dated April 5, 2004. Following contract termination, MMAP entered into a Professional Services Agreement with Mr. E. Johnson to perform services previously done by SFBR. Mr. Johnson was paid \$31,846 from July 2006 until March 26, 2007, when he became a full-time MMAP employee.

Finally, we noted a \$1,000 payment to the SFBR for sponsorship of a Banquet held August 24, 2007, which included one dinner ticket and acknowledgement of MMAP at the event. Other disbursements totaling \$21,279, ranging from \$100 to \$5,500, were made to 10 entities or individuals and do not appear to be allowable under Surtax Program guidelines (Table VIII).

Recommendation

- Contracts for services to be rendered should be competitively bid to afford all qualified providers an equal opportunity and avoid perceptions of favoritism in their selection.
- Services should not be paid without required supporting documentation. Portions of contract payments to M-Car (\$114,510) or SFBR (\$62,908) that are not adequately supported should be disallowed and Program funds reimbursed. Other payments totaling \$21,279 should also be reimbursed, unless documentation is provided to substantiate Program eligibility.
- Coordinate with other County Departments performing required services, rather than hiring consultants to perform tasks that result in duplicative efforts.

Grants to Others

Disbursements totaling \$53,755 were classified as grants, which Surtax guidelines specifically prohibit (Tables IV and IX). For example, MMAP contracted with FIU in December 2006 to update the 1993 Disparity Study which examined differences within and among black neighborhoods of Miami-Dade County as compared to the overall population. The maximum contract amount was \$90,000, although only \$49,105 had been paid through September 2007.

Table IX
Surtax Funds Disbursed as Grants
For the Four Years Ended September 30, 2007

Florida International University	\$ -	\$ -	\$ -	\$ 49,105	\$ 49,105	\$ 49,105
Josie's Passover & Good Friday	-	-	-	1,000	1,000	1,000
Others	350	2,800	-	500	3,650	3,650
	<u>\$ 350</u>	<u>\$ 2,800</u>	<u>\$ -</u>	<u>\$ 50,605</u>	<u>\$ 53,755</u>	<u>\$ 53,755</u>

Source: FAMIS General Ledger Reports

Recommendation

The unallowable payments totaling \$53,755 should be reimbursed to the Program.

Temporary Help

Tri-State Employment Services, Inc. and Deanna Enterprises, Inc. provided temporary employees and were paid \$53,413, of which \$48,202 was allocated to the Surtax Program (Tables IV and X). MMAP claims most of the employees were hired to assist with Surtax loan processing, but were unable to support these assertions.

Table X
Expenditures for Temporary Help

		2004	2005	2006	2007	Total
Tri-State Employment	2004	\$ 10,831	\$ -			\$ 10,831
	2005	26,275	-			26,275
	2006	10,596	-			10,596
		<u>47,702</u>	<u>-</u>			<u>47,702</u>
Deanna Enterprises	2006	-	4,711			4,711
	2007	500	500			1,000
		<u>500</u>	<u>5,211</u>			<u>5,711</u>
						<u>500</u>
Total Expenditures		\$ 48,202	\$ 5,211	\$ 53,413	\$ 48,202	

Source: FAMIS General Ledger Reports

Further, review of public records for Deanna Enterprises, Inc. disclosed that Ms. V. Freemon, MMAP Board member since February 2004, is the principal of the Corporation. While the amount in question is nominal, County Ordinance 01-01, Section 2-503(c), prohibits any officer of an agency contracting with or receiving funding from the MMAP Trust from being a member of the MMAP Board of Trustees.

Recommendation

The Surtax Program Fund should be reimbursed for the questioned charges, unless MMAP can substantiate them. Further, to assure compliance with County Ordinance 01-01, MMAP should not contract with any agency whose principal is a member of the MMAP Board.

Other Contractual Services and Operational Costs

Other contractual services totaled \$8,764 (Table IV), including one vendor who was paid \$10,000, Arnold Creative Group, of which \$2,500 was charged against Surtax funds. This was one of four payments for what was to be a documentary covering a Non-Violence Youth Leadership and Historical Civil Rights Educational Tour of selected US Civil Rights Museums. Although final payment was made in 2005, MMAP staff was unable to provide the resulting video recording for our review, stating it was still in progress. An unexecuted production agreement, dated June 13, 2005 was provided by MMAP staff to support these expenditures. Other operational costs amounting to \$79,839 (Table IV) include charges for advertising, furniture, and equipment, totaling \$56,259 that should be substantiated as eligible under Program guidelines or reimbursed.

Recommendation

The \$58,759 charged against Surtax funds should be reimbursed the Program, unless MMAP officials can substantiate the charges as allowable under the Affordable Housing Guidelines. Further, MMAP should refrain from making final payments to vendors until work products have been delivered.

ECONOMIC DEVELOPMENT PROGRAM

A local business tax is imposed and collected by Miami-Dade County from any person or business providing merchandise, entertainment, or services to the public. On October 1, 1987, the County entered into an Agreement with the Miami-Dade Beacon Council, Inc., a not-for-profit corporation, to receive this revenue collected and implement a comprehensive economic development strategy for Miami-Dade County. On June 7, 1994, the Board of County Commissioners (BCC) authorized the Beacon Council to allocate 8% of these monies to MMAP and execute a Grant Agreement for similar implementation of a comprehensive economic development strategy through advertising, promotional activities, and other sales and marketing techniques for the African American community.

During the audit period, MMAP recorded \$1.2 million in local business tax receipts, and expenditures totaled \$1.44 million (Table XI). Salaries and fringe benefits totaled \$550,644, of which only \$239,644 represented direct costs. The remaining \$311,000 was for administrative staff salaries allocated among the various MMAP programs, however, support for the allocation was not provided.

Table XI
8% Local Business Tax Receipts
Revenue and Expenditures For the Four Years Ended September 30, 2007

Revenue	\$ 312,690	\$ 292,074	\$ 346,730	\$ 280,311	\$ 1,231,805
Expenditures					
Salaries and Benefits	\$ 42,557	\$ 217,811	\$ 182,630	\$ 107,646	\$ 550,644
Grants to Others	-	218,075	92,500	231,337	541,912
Consulting Services	108,425	36,411	106,276	144,134	395,246
Adjusting transfer	(108,000)	-	-	-	(108,000)
Other Operational Costs	729	36,648	8,254	17,156	62,787
	\$ 43,711	\$ 508,945	\$ 389,660	\$ 500,273	\$ 1,442,589
Fund Balance (Memo Only)	\$ 576,927	\$ 360,056	\$ 317,126	\$ 97,164	

Source: FAMIS General Ledger Reports

Management acknowledged that use of these monies did not conform to the terms of the Beacon Council agreement, and as such, Program funds should be reimbursed. Since inception of the Agreement in 1994 through September 30, 2007, Local Business Tax Receipts have aggregated \$3.46 million (Table XII).

Table XII
8% Local Business Tax Receipts
From June 7, 1994 through September 30, 2007

1993 - 1994	\$ 129,915	2000 - 2001	\$ 282,222
1994 - 1995	217,718	2001 - 2002	285,752
1995 - 1996	235,641	2002 - 2003	299,139
1996 - 1997	231,317	2003 - 2004	312,690
1997 - 1998	227,199	2004 - 2005	292,074
1998 - 1999	263,405	2005 - 2006	346,730
1999 - 2000	59,289	2006 - 2007	280,311
	<u>\$1,364,484</u>		<u>\$2,098,918</u> <u>\$3,463,402</u>

Source: FAMIS General Ledger Reports

We reviewed grants ranging from \$25,000 to \$139,695, as detailed in Table XIII. Observations regarding these grants are discussed below.

Table XIII
Grants Disbursed from 8% Local Business Tax Receipts

Florida Memorial University	\$ 15,000	\$ -	\$ 124,695	\$ 139,695
Miam-Dade Chamber of Commerce	37,500	37,500	50,000	125,000
Carrie Meek Foundation	85,000	-	-	85,000
Karym Ventures	50,000	25,000	-	75,000
Opa-Locka Flightline, LLC	-	-	50,000	50,000
CGB of Miami-Dade County	-	25,000	-	25,000
Friends of MLK, Inc.	25,000	-	-	25,000
Others	5,575	5,000	6,642	17,217
	<u>\$ 218,075</u>	<u>\$ 92,500</u>	<u>\$ 231,337</u>	<u>\$ 541,912</u>

Source: FAMIS General Ledger Reports

Florida Memorial University, Inc.

MMAP awarded The Entrepreneurial Institute at Florida Memorial University, Inc. (FMU) \$446,790 from the 8% Local Business Tax Receipts, of which \$139,695 was recorded as grants and \$315,921 as consulting services expense (Tables XIV and XV). Program services are rendered via the Mobile Economic Development Unit, a tractor trailer that serves as an office on wheels in target areas throughout Miami-Dade County, offering business assistance such as counseling, business plan preparation, and information on MMAP's HAP.

Table XIV
MMAP Support – FMU Entrepreneurial Institute

Contract Period	Amount	Description																								
10/01/03 - 9/30/04	\$ 97,400	Provide 12 non-credit business seminars/classes, prepare 125 business plans for start-up and expanding businesses, work with MMAP's Community and Economic Development Committee to carry out community activities, and support MMAP's Technology Center Program.																								
10/01/04- 9/30/05	100,000	Same as above, excluding support for MMAP's Technology Center Program.																								
10/01/05- 9/30/06	124,695	Same as 2005; increasing to 175 business plans and targeting 40 site visits for the mobile unit.																								
10/01/06- 9/30/07	124,695	Same as 2006, except no minimum number of site visits established for the mobile unit.																								
Awarded: \$ 446,790																										
<table border="1"> <thead> <tr> <th></th> <th>2003</th> <th>2004</th> <th>2005</th> <th>2006</th> <th>2007</th> </tr> </thead> <tbody> <tr> <td>Grants</td> <td>\$ 139,695</td> <td>\$ -</td> <td>\$ 15,000</td> <td>\$ -</td> <td>\$ 124,695</td> </tr> <tr> <td>Consulting Expenses</td> <td>315,921</td> <td>101,800</td> <td>20,600</td> <td>100,000</td> <td>93,521</td> </tr> <tr> <td>Disbursed</td> <td>\$ 455,616</td> <td>\$ 101,800</td> <td>\$ 35,600</td> <td>\$ 100,000</td> <td>\$ 218,216</td> </tr> </tbody> </table>				2003	2004	2005	2006	2007	Grants	\$ 139,695	\$ -	\$ 15,000	\$ -	\$ 124,695	Consulting Expenses	315,921	101,800	20,600	100,000	93,521	Disbursed	\$ 455,616	\$ 101,800	\$ 35,600	\$ 100,000	\$ 218,216
	2003	2004	2005	2006	2007																					
Grants	\$ 139,695	\$ -	\$ 15,000	\$ -	\$ 124,695																					
Consulting Expenses	315,921	101,800	20,600	100,000	93,521																					
Disbursed	\$ 455,616	\$ 101,800	\$ 35,600	\$ 100,000	\$ 218,216																					

Source: Grant Agreements and FAMIS General Ledger Reports.

MMAP funded 100% of the salaries for two program administrators, however, supporting documentation was either incomplete or not on file. Support for fiscal years 2006 and 2007 obtained by the Contract Officer upon AMS request omitted the dates classes were held and participants. Reports also indicated business plans completed exceeded the minimum required; however, the list provided of clients served did not match the number reported. Additional applications from clients serviced were provided but were not tallied by MMAP staff to assure at least 175 clients were served each year in accordance with scope of services.

Recommendation

MMAP should ensure that required progress and final reports are provided and accompanied by adequate support to assess program effectiveness and compliance with contract requirements. Prospectively, more formal tracking of programmatic success should be required of FMU, including business/job creation and expansion statistics to assure program effectiveness and achievement of economic development goals. Recapture monies provided for salaries of program administrators unless such charges are fully substantiated.

Miami-Dade Chamber of Commerce

On May 18, 2005, the Trust approved a \$75,000 grant to the Miami-Dade Chamber of Commerce over a one-year period ended August 16, 2006 to perform the following:

- Hold forums for at least 200 of its members and small black-owned businesses to gain access to capital for investment, expansion, or development.
- Establish 20 mentorship agreements for small black businesses through corporations and government entities; provide at least 4 workshops for 150 participants on certification and doing business with the government; and hold another 4 workshops for 100 participants to develop marketing tools for increasing sales.

- Keep the membership informed of available business opportunities through publishing of monthly calendars, quarterly newsletters, and an annual black business resource guide.

MMAP was able to provide only one report for the quarter ended June 1, 2006, in which a networking series held was briefly explained and an RSVP list enclosed. Reference was made in this report to other attachments, such as financial support and presentation material; however, none was on file. A quarterly report ended August 31, 2006 was subsequently provided by MMAP staff, with similar deficiencies.

A second \$75,000 agreement for a one-year term was approved and signed December 21, 2006. Objectives mirrored the previous agreement, except only 10 mentorships were required, along with two workshops each on topics of doing business with the government and developing marketing tools for increased sales. No progress reports or supporting documentation were initially provided by MMAP as requested. Subsequently one progress report for the quarter ended October 31, 2007 was provided, which had a brief narrative of activities and the attendance roster for one of the events attached. By September 30, 2007, \$137,500 had been funded from local business tax receipts, \$125,000 as grants (Table XIII) and \$12,500 under consulting services (Table XV).

Recommendation

If adequate supporting documentation cannot be obtained to substantiate accomplishments, then Program funds should be recaptured from the grantee. Prospectively, do not release funds until services have been substantiated.

Carrie Meek Foundation, Inc.

On May 25, 2005, a collaborative agreement was signed with the Carrie Meek Foundation to loan an executive to direct and coordinate joint real estate development initiatives between MMAP and the Foundation for a period of two years. In July 2005, MMAP approved \$85,000 from the Trust General Fund Budget to fund this coordinator position. The former Executive Director, whose employment with MMAP terminated on October 1, 2005, fulfilled this role. The \$85,000 was advanced on September 15, 2005, upon presentation of an invoice from the Foundation, against the 8% Business Tax Receipts (Table XIII) rather than the Trust General Fund, as initially stipulated. There was no documentation on file to substantiate the types of joint development activities undertaken or that resulted from this collaborative agreement.

On March 13, 2007 another agreement for \$60,000 was signed with the Foundation to provide civic engagement and educational programs for Teen Court youth twice monthly through August 30, 2007. However, no funds had been released as of September 30, 2007.

Recommendation

The Foundation should be requested to provide documentation substantiating results of joint development initiatives pursuant to the collaborative agreement. If support is not obtained, then MMAP should recapture the \$85,000. In any event, the 8% Local Business Tax Receipts should not have been used for that purpose, and that amount should be reimbursed to the Program.

Karym Ventures, Inc.

On March 17, 2005, MMAP entered into a two-year \$50,000 grant agreement with Karym Ventures, Inc. to develop and manage a restaurant/gallery demonstration project called Café Soul, located at 4905 NW 7th Avenue in Liberty City. An additional \$25,000 was awarded on April 19, 2006 through contract amendment. Nonetheless, the full \$75,000 was advanced from economic development funds (Table XIII). At time of the agreement, one of the Company Directors was Miami Commissioner Michelle Spence-Jones, though she subsequently resigned on July 31, 2006. However, Karym is owned by members of the Spence family.

Funds were used in part to renovate three rental apartments located on the building's second floor, as well as the Yellow Moon full salon and day spa, and for operation of Café Soul, including an art gallery. In total, this project was to generate 13 to 22 jobs in the community. No evidence was found on file to substantiate job creation or to support how the organization expended the monies. Although a Local Business Tax receipt is in force for the Yellow Moon Salon and Spa, none was registered for Café Soul. A site visit on June 5, 2008 confirmed the restaurant, salon, and spa are in business (Figure 1).

Yellow Moon Salon & Spa/Café Soul
4905 NW 7th Avenue

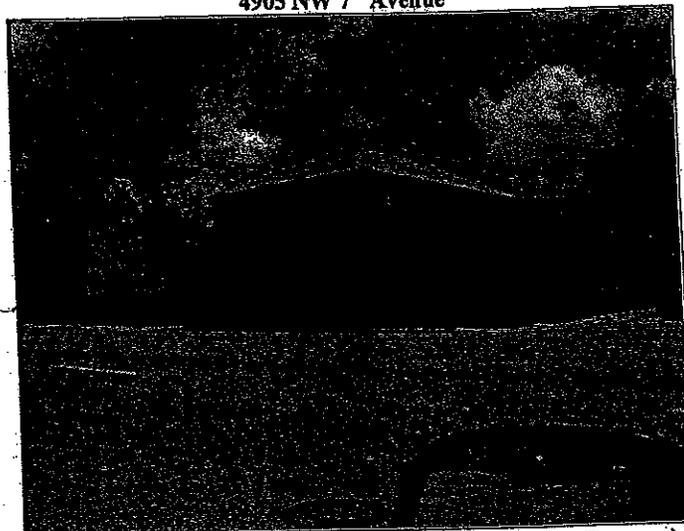


Figure 1 – Salon/Spa (Front Entrance); Café Soul (Corner Entrance)

Recommendation

Karym Ventures should be required to provide a full accounting of expenditures, including cancelled checks. If these records are not provided, then the Company should be asked to repay the funds. At any rate, the use of the Local Business Tax Receipts for this specific business venture does not appear to comply with the Beacon Council Agreement, and thus the \$75,000 should be recaptured. If Café Soul is open for business, the appropriate Business licenses should be obtained and posted for inspection.

Opa-Locka Flightline LLC

In August 2006, Opa-Locka Flightline, LLC (OLF), an aviation refueling company incorporated in 2004, requested a \$100,000 loan from MMAP to purchase ground service equipment for a jet refueling facility and terminal located in the Opa-Locka Airport. In October 2006, MMAP's Board approved \$50,000 in the form of a grant disbursed from the General Fund (Table XIX) and another \$50,000 as a line of credit.

The \$50,000 one-year grant dated December 1, 2006 was issued to purchase equipment and required submission of bills of lading and/or packing slips, along with cancelled checks to substantiate the purchase. These documents were not on file, although the full grant amount was disbursed on December 12, 2006 against a letter invoice submitted by the Company. OLF was also required to provide quarterly reports with operating statistics, including number of aircraft and fuel-consuming vehicles serviced, quantity of fuel consumed, gross income from fueling operations, percentage of growth in its business, and the increase in employed personnel by ethnicity. This information was not on file.

On February 9, 2007, the Company rescinded the line of credit offer and instead requested the remaining \$50,000 as a grant to fund their marketing/promotion plan (Table XIII). The request was approved and the additional funds were disbursed on March 27, 2007 from the Local Business Tax Receipts. No additional documentation was on file to support how these funds were utilized, as required by the grant.

Recommendation

MMAP should request documentation supporting use of the \$100,000 advanced. If OLF does not provide documentation, then funds should be repaid. Prospectively, MMAP should ensure that required documentation and periodic/final reports are submitted by grantees in a timely manner. MMAP must also reimburse the 8% Business Tax Receipts Fund, as the disbursement is not an eligible Program expenditure.

CBG of Miami-Dade County and Vicinity, Inc.

On May 11, 2006 MMAP entered into a six-month agreement with Collective Banking Group of Miami Dade County and Vicinity, Inc. (CBG), awarding \$25,000 from the 8% Local Business Tax Receipts to host the Empowerment Weekend Conference taking place on May 19th and 20th at the Koinonia Worship Center in Broward County (Table XIII). CBG is a local association of churches represented by their respective pastors, intended to generate collective bargaining power for church members, member churches, and pastors. CBG provides access to capital, information, and resources, as well as favorable consideration from local banks, businesses, and legislative leaders.

The purpose of the conference was to help participants learn about the benefits of CBG membership, including banking and loan products, housing inventory, and ways to start and grow a small business. The full award amount was advanced upon contract execution. No supporting invoices or cancelled checks were on file, except for a one-page expenditure sheet unsigned and undated, itemizing several vendors paid totaling \$15,027. A final report on the use of the funds and success of the program was also never received. Again, funding from Local Business Tax Receipts was not appropriate.

Recommendation

MMAP should request that CBG substantiate use of the \$25,000 granted or repay the amount. In any case, the \$25,000 should be returned to the Local Business Tax Receipts Fund, as the disbursement was not an eligible use of Program proceeds.

Friends of MLK, Inc.

On April 26, 2005, MMAP entered into a one-year \$25,000 agreement with Friends of MLK, Inc. to develop promotional material for a community outreach campaign, implement a website, and coordinate the MLK fundraising reception and the Senior Citizens Community Garden. The full award was advanced upon contract execution from the 8% Local Business Tax Receipts (Table XIII). However, no documentation was on file to support expenditures incurred, nor were there progress or final reports to substantiate efforts undertaken. It should be noted that in September 2004, MMAP had been directed by the BCC through the budget process to fund several projects in District 3, including this one to Friends of MLK, Inc.

The organization was established on February 26, 2004 as an advocacy group to educate, enrich, and economically stimulate the community at large. Several of the principals of this organization are also affiliated with CBG of Miami Dade County, previously discussed. On January 31, 2008, the organization's President was charged with 2nd Degree Grand Theft in connection with the alleged misuse of these grant funds.

Recommendation

MMAP should require that the organization substantiate use of the funds or repay them. Moreover, MMAP should replenish Program funds for inappropriate use of the 8% Business Tax Receipts.

Consulting Services – Economic Development

Consulting services funded by the 8% Local Business Tax Receipts totaled \$395,246 (Table XV), of which \$315,921 was paid to Florida Memorial University (see Pages 15 – 16) and \$12,500 was disbursed to Miami-Dade Chamber of Commerce (see Pages 16 – 17). Florida International University (FIU) was paid \$38,113 of the remaining balance, as discussed below.

On February 7, 2006, the BCC authorized the County’s purchase of the Teco District Cooling Plant for \$9 million and requested negotiations between the County and the Overtown Civic Partnership (OCP) to develop an alliance in the operation, management, and marketing of the chiller water plant. OCP requested \$50,000 from MMAP for FIU to perform an engineering and economic assessment of the Teco plant. The MMAP Board agreed to fund the project directly with FIU and make the assessment available to OCP and the County. The actual cost billed by/paid to FIU from economic development revenue was \$38,113, which is not an allowable cost from this fund.

Table XV
 Consulting Services Charges Disbursed from 8% Local Business Tax Receipts

Florida Memorial University	\$ 101,800	\$ 20,600	\$ 100,000	\$ 93,521	\$ 315,921
Florida International University	-	-	-	38,113	38,113
Miami-Dade Chamber of Commerce	-	-	-	12,500	12,500
Others	6,625	15,811	6,276	-	28,712
	<u>\$ 108,425</u>	<u>\$ 36,411</u>	<u>\$ 106,276</u>	<u>\$ 144,134</u>	<u>\$ 395,246</u>

Source: FAMIS General Ledger Reports

Recommendation

MMAP should return the \$38,113 to the Local Business Tax Receipts Fund, as the disbursement was not an eligible use of Program proceeds.

OVERTOWN REVITALIZATION GRANT

Pursuant to a Federal Economic Development Initiative Grant, MMAP issued a Request for Proposal in September 2004 to award a maximum of \$500,000 to businesses interested in participating in the economic revitalization of the Overtown area of Miami. Upon conducting a competitive selection process, recipients were selected as follows:

Table XVI
Recipients of EDI Federal Grant Awards Issued by MMAP

BCJ Development, LLC	07/20/05	\$ 175,000	\$ 175,000
Scala Construction Supplies, LLC	02/24/05	175,000	175,000
Black Archives History & Research	07/26/05	100,000	100,000
Two Guys Restaurant, Inc.	05/12/05	50,000	33,333
		<u>\$ 500,000</u>	<u>\$ 483,333</u>

Source: FAMIS General Ledger Reports, Contracts, and MMAP files.

Observations regarding our review of these grants, including questioned costs, are noted below.

BCJ Development, LLC

On July 20, 2005, MMAP executed a three-year contract with BCJ Development, LLC (BCJ) in the amount of \$175,000 to develop several enterprises in the Overtown area (Table XVI). According to the Agreement, BCJ would establish a culinary skills training certification program, a Subway franchise, Timbuktu Marketplace, Veterans Employment Transition Service, Inc., and an outplacement employment training and referral program.

The \$175,000 was advanced upon contract execution, however, the only information on file substantiating use of funds was a single sheet report dated April 1, 2006, reflecting \$65,395 spent to-date under the contract. On September 1, 2006, the former President advised the Board of various documentation and reporting deficiencies. These were also communicated to BCJ for corrective action on August 11, 2006, but no response was received. Staff also recommended referring the matter to the Office of the Inspector General, however, the Board did not authorize the referral.

Recommendation

BCJ should properly substantiate use of the funds or repay the \$175,000. MMAP should assure that grantees are monitored for compliance with the scope of services. Moreover, amounts should be disbursed on a reimbursement basis to assure proper use.

Scala Construction Supplies, LLC

On February 24, 2005, MMAP entered into a loan agreement with Scala Construction Supplies, LLC for \$175,000 to fund expansion and relocation of its production facilities (Table XVI). Loan terms provided for repayment over 120 months at 5% simple interest, with a continuing guarantee from Company principals. Proceeds would be disbursed as follows: \$52,000 upon loan execution and the balance once product testing of single-hung windows was completed and the borrower had established an office in the Overtown area.

For unknown reasons, the loan was converted to a grant that was never formally executed. An undated letter from a testing laboratory to the borrower was on file, stating product testing had been completed and a full report would be provided; however, the report was not on file.

MMAP released the final \$123,000 without proof the borrower had established an office in Overtown. In our presence, the Contract Officer contacted the grantee, who stated he was operating from his home. According to Florida Department of State – Division of Corporation records, the corporation located in Broward County is inactive and was administratively dissolved on September 15, 2006.

Recommendation

Funds should not have been released until the entity met established criteria. BCJ should substantiate use of the funds or repay the \$175,000.

The Black Archives, History and Research Foundation of South Florida, Inc.

On March 16, 2005, the MMAP Board approved a \$100,000 grant for the Black Archives, History and Research Foundation of South Florida, Inc. to support construction of the Lyric Theater Welcome Center Project (Table XVI). On July 26, 2005, MMAP executed a three-year agreement with Black Archives and disbursed proceeds to operate a Welcome Center/Café in the lobby of the Lyric Theater that was intended to generate two jobs.

While some supporting documentation was found to substantiate costs, the funds were not used as originally intended. A budget modification request was submitted by the project director on September 26, 2006 for the year ended July 25, 2006, as presented in Table XVII. There was no evidence that these budget revisions were approved by the MMAP Board, though staff acknowledged having authorized changes. Quarterly progress reports on the accomplishment of goals as stipulated in the Scope of Service were also not found on file.

Table XVII
MMAP Support – The Black Archives

Insurance	\$ -	\$ 57,648	\$ 57,648
Electricity	-	13,658	13,658
Salaries	30,000	(22,350)	7,650
Furnishings	18,700	(11,128)	7,572
Stock	10,000	(4,381)	5,619
Phone/Internet	-	4,657	4,657
Security	-	3,197	3,197
Equipment	20,000	(20,000)	-
Marketing	15,000	(15,000)	-
Signage	4,000	(4,000)	-
Working Capital	2,300	(2,300)	-
	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ 100,000</u>

Source: MMAP Files

Recommendation

Budget modifications should be formally approved. MMAP staff must also ensure that quarterly monitoring reports are submitted by the grantee and evaluated to assure compliance with grant requirements.

Two Guys Restaurant, Inc.

Two Guys Restaurant, Inc. was awarded \$50,000 to acquire a building (Table XVI). The first of three payments for \$16,667 was advanced upon agreement execution, with the second and third payments disbursed on a reimbursement basis. It appears the grantee did not purchase a building, but instead leased a facility located at 1205 NW 3rd Avenue.

Two Guys Restaurant
1205 NW 3rd Avenue

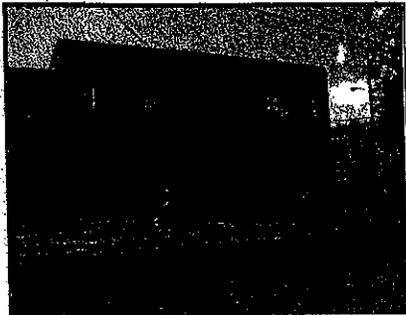


Figure 2 – Restaurant on first Floor, 3rd Ave.

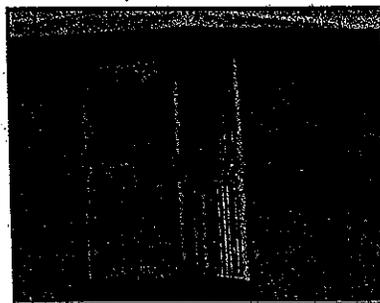


Figure 3 – Left Entrance Door

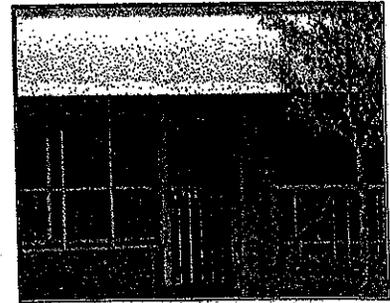


Figure 4 – Right Entrance Door

As support for the initial advance, the grantee provided a partial copy of the lease agreement and cancelled checks for expenses totaling \$16,648. Other supporting documents attached included contractor invoices or sales order forms that lacked a standard letterhead or invoice number and, in some cases, were undated. The remaining \$33,333 was released upon receipt of a document

on the grantee's letterhead, denoted as "quotations to complete renovations", which was merely a listing of estimated costs for new equipment. The document did not specify the parties who provided those quotations. Quarterly progress and final reports were also not on file. Further, a site visit on June 5, 2008 disclosed the restaurant is closed (Figures 2 - 4) and the owner is deceased.

Recommendation

MMAP should enforce documentation requirements for expense reimbursements and periodic progress reports, as stipulated in contract agreements.

MMAP ADMINISTRATION

MMAP received \$3.9 million in general fund support, of which \$2.3 million was used for salaries and benefits and \$533,695 for office lease and equipment rentals (Table XVIII). General and administrative costs, as well as other operational costs, primarily included machinery and equipment expenses, maintenance and repairs, insurance, and other County charges. Grants and Consulting Services are discussed below.

Table XVIII
General Fund Support and Expenditures For the Four Years Ended September 30, 2007

	\$ 1,022,360	\$ 998,265	\$ 968,317	\$ 903,481	\$ 3,892,423
Revenue					
Expenditures					
Salaries and Benefits	\$ 501,844	\$ 713,721	\$ 555,955	\$ 510,344	\$ 2,281,864
Rentals and Leases	142,455	132,108	128,813	130,319	533,695
Grants to Others	192,963	(21,202)	48,099	85,200	305,060
General and Administrative	74,735	73,764	64,289	90,534	303,322
Consulting Services	48,190	22,554	95,981	29,505	196,230
Other Contractual Services	4,656	4,358	5,030	1,599	15,643
Other Operational Costs	57,517	72,962	70,150	55,980	256,609
	<u>\$ 1,022,360</u>	<u>\$ 998,265</u>	<u>\$ 968,317</u>	<u>\$ 903,481</u>	<u>\$ 3,892,423</u>

Source: FAMIS General Ledger Reports

Grants - MMAP Administration

Grant awards to other organizations totaled \$305,060, of which we are questioning \$212,762 due to lack of adequate support (Table XIX). Opa-Locka Flightline, LLC and Florida Memorial University were discussed in the Economic Development Program section of the Report (see Pages 14 - 21). Other grants reviewed, including details of questioned costs, are presented on the following pages.

Table XIX
Detail of Grants to Others

BlackHistoryTours.com, Inc.	\$ -	\$ 21,448	\$ 23,468	\$ 26,200	\$ 71,116	\$ 21,448
Belafonte Tacolcy Center, Inc.	-	50,000	-	-	50,000	50,000
Opa-Locka Flightline, LLC	-	-	-	50,000	50,000	50,000
Overtown Youth Center, Inc.	-	25,000	-	-	25,000	25,000
Graves Ventures, LLC	-	21,250	-	-	21,250	21,250
City of Miami	7,075	-	11,000	1,000	19,075	19,075
Florida Memorial University	-	15,000	-	-	15,000	-
Albert Leroy Moss Foundation	-	10,000	-	1,500	11,500	11,500
Martin Luther King Economic Development Corp.	9,489	-	-	-	9,489	9,489
Roots in the City, Inc.	-	-	-	5,000	5,000	-
West Perrine Community Development Corp.	-	2,500	2,500	-	5,000	5,000
Adjusting entries to reclassify	157,000	(172,000)	-	-	(15,000)	-
Other	19,399	5,600	11,131	1,500	37,630	-
	<u>\$192,963</u>	<u>\$ (21,202)</u>	<u>\$ 48,099</u>	<u>\$ 85,200</u>	<u>\$305,060</u>	<u>\$ 212,762</u>

Source: FAMIS General Ledger Reports

BlackHistoryTours.com

MMAP funded an annual Historical Educational Tour throughout the audit period for a total of \$96,644 -- \$71,116 from MMAP Administration (Table XIX) and \$25,528 from Teen Court revenue (Table XXIV) -- at an average of \$24,161 for each annual event. Only a single Board approval was on file corresponding to the June 2006 trip. Supporting documentation was unavailable for fiscal years 2004 and 2005, while individual invoices were presented as support for the 2006 and 2007 trips by BlackHistoryTours.com. Each billing was for 40 students and eight complimentary chaperones, at a rate of \$600 to \$655 per student.

Recommendation

Support for 2004 and 2005 expenditures should be obtained or amounts reimbursed to the Teen Court (\$25,528) and general fund (\$21,448), respectively. If funding for this annual activity is to be continued, MMAP should retain on file a list of participants to substantiate amount billed for group count. Students should also be required to submit a field trip report or otherwise be tested on this learning experience, with the MLK Academy providing a report to MMAP on the results of this program.

Belafonte Tacoley Center, Inc.

On or about January 31, 2005, Belafonte Tacoley Center, Inc. (BTC) was contracted at a cost not exceeding \$50,000 to provide a suspension program through workshops for 30 middle school youths from 13 Miami-Dade County public schools from January 1, 2005 to February 1, 2006. The program would target at-risk youths who displayed behavioral or performance problems, providing them with training in conflict resolution, decision making, and goal setting, among other topics. Funding was payable upon contract execution and presentation of an invoice from the provider. Though no invoice was found on file, funding was released within 30 days without proof of service accomplishments.

Recommendation

BTC should be required to provide proof of training conducted and students served within the term of the contract, or otherwise return awarded funds to MMAP.

Overtown Youth Center, Inc.

MMAP also executed an agreement on or about January 21, 2005 with Overtown Youth Center, Inc. who was to receive \$25,000 for services rendered during the contract term from January 3, 2005 to February 1, 2006. Funding was payable upon contract execution and submission of an invoice by provider. For all practical purposes, this was not a grant but a donation, as denoted on the invoice in file from the Center for \$25,000 dated October 15, 2004.

Payment in full was made on February 8, 2005, and there was no support in file as to how funds were used.

Recommendation

If the award was meant to be a grant, then measurable goals should have been established and payment released upon completion of said goals, rather than upon submission of an invoice. Contract drafting and monitoring controls need to be enhanced.

Other Grants

Four of 20 grant files requested for review were not located by MMAP staff, and thus we were unable to determine the propriety of the following disbursements:

Table XX
 Missing Grant Files

City of Miami	\$ 28,224	\$ 37,500	\$ -	\$ 65,724
Graves Venture, LLC	21,250	-	-	21,250
Martin Luther King Economic Development Corp.	9,489	-	5,000	14,489
Albert Leroy Moss Foundation	11,500	-	-	11,500
	<u>\$ 70,463</u>	<u>\$ 37,500</u>	<u>\$ 5,000</u>	<u>\$ 112,963</u>

¹ LBT=Local Business Tax Receipts

Recommendation

MMAP should obtain supporting documentation from the above-named recipients to substantiate propriety of funds disbursed, or otherwise reimburse costs incurred to the general fund.

Consulting Services – MMAP Administration

Consulting services charges totaled \$196,230 during the audit period (Table XXI). We reviewed the three largest vendors contracted and questioned costs totaling \$141,250, as further discussed below.

Table XXI
Detail of Consulting Services Charges

Becker & Poliakoff, P.A.	\$ 25,000	\$ 6,250	\$ 22,500	\$ 28,500	\$ 82,250	\$ 61,250
Global USA, Incl	-	-	60,000	-	60,000	60,000
J Watson & Company	14,000	6,000	-	-	20,000	20,000
Other	9,190	10,304	13,481	1,005	33,980	-
	<u>\$ 48,190</u>	<u>\$ 22,554</u>	<u>\$ 95,981</u>	<u>\$ 29,505</u>	<u>\$ 196,230</u>	<u>\$ 141,250</u>

Source: FAMIS General Ledger Reports

Becker & Poliakoff, P.A.

The law firm of Becker & Poliakoff, P.A. was paid \$68,384 of \$82,250 billed for professional services rendered (Tables XXI and XXII). Two agreements authorized governmental representation and consulting services in Tallahassee. The first, initially for \$50,000, spanned from October 2001 through October 2005 after two annual renewals, of which payments totaled \$25,000 in fiscal year 2004 and \$6,250 in 2005.

The second agreement for \$30,000, payable in quarterly installments of \$7,000 each and up to \$2,000 in expenses, covered from December 2005 to December 2007 and was fully disbursed between fiscal years 2006 and 2007. However, we noted an additional \$21,000 that was billed but not yet paid. Monthly reports (weekly during legislative sessions) were required advising MMAP on the status of issues monitored or tracked. However, no reports were on file, and thus we were unable to determine what services were actually provided, which were to include a full range of lobbying legislative counsel and advocacy activities.

Table XXII
MMAP Payments to Becker & Poliakoff, P.A.

General Fund	\$ 25,000	\$ 6,250	\$ 21,000	\$ 9,000	\$ 61,250
8% Local Business Tax Receipts	(375)	-	6,276	-	5,901
Documentary Surtax Fund	-	-	-	1,233	1,233
	<u>\$ 24,625</u>	<u>\$ 6,250</u>	<u>\$ 27,276</u>	<u>\$ 10,233</u>	<u>\$ 68,384</u>

MMAP Board Minutes and Memorandum of Approval dated September 28, 2005 indicate the Company was also retained to assist with the termination of the sublease to Altamira Associates, LTD, co-developer of the Northside Metro-Rail Station housing project, for failure to obtain tax credits. Payments under this contract totaled \$7,509 in fiscal years 2006 and 2007, of which \$6,276 was improperly disbursed from the 8% Local Business Tax Receipts Fund.

Recommendation

Greater care must be exercised to assure that agreements executed are properly dated and completed, accurately reflecting amounts contracted over the specified period in compliance with terms and conditions approved by the MMAP Board. MMAP staff should also ensure that required activity reports are submitted and retained, evidencing services provided and status of legislative issues being monitored by contracted legal counsel. Support documentation for amounts paid should be obtained or amounts recaptured to the funding sources.

Global USA Inc.

On March 22, 2006, MMAP contracted with Global USA, Inc., a Washington, DC government relations and business consulting firm, to provide legislative representation and assistance in promoting and marketing MMAP services. The Agreement covered the period from November 1, 2005 through October 31, 2006, at a \$5,000 monthly fee. Over the term of the contract, Global was paid \$60,000 (Table XXI). Only two memos, dated May 9 and June 28, 2006, were found on file to substantiate activities performed. Both memos mostly cited individuals Global contacted on behalf of MMAP "regarding strategy for MMAP projects."

Recommendation

MMAP should ensure that appropriate detailed documentation is provided by contractors to substantiate services performed and fees paid. Obtain adequate supporting documentation for amounts paid or reimburse \$60,000 to the General Fund.

J. Watson & Company

On December 9, 2003, MMAP executed an agreement with J. Watson and Company, Inc. for Contract Monitoring Services from December 1, 2003 through November 30, 2004, for a maximum amount of \$24,000 payable in \$2,000 monthly installments. Scope of work included project management associated with Overtown revitalization efforts, including preparation of bid documents, review and evaluation of bids submitted, assistance in preparation of award contracts, and overall project administration and monitoring.

The contract required the standard accompanying affidavits and disclosures, however, we noted that those documents provided by the consultant were dated May 6, 1999, apparently used in a previous contracts and never updated, which should have been rejected by MMAP staff. We also noted that activity reports were only on file for the months of May, June, and September through November 2004. Although reports described general activities related to Overtown revitalization, they lacked details as to dates and duration of meetings or results of discussions and additional actions planned. There was no documentation supporting any bid processing or contracting activities, as contemplated in the scope of services. The Company received a total of

\$22,000 during fiscal years 2004 and 2005; \$20,000 from MMAP Administration (Table XXI) and the balance from the 8% Local Business Tax Receipts, which was not an allowable charge.

Recommendation

MMAP staff should ensure that standard affidavits and other required documents integral to contracts between Miami-Dade County and service providers are properly completed and current prior to contract execution. Activity reports should be timely submitted by service providers according to the established frequency, and be reviewed for completeness and sufficient detail to ascertain compliance with scope of services. Unless adequate support is obtained for services paid, reimburse \$22,000 to the corresponding funding sources. In any event, \$2,000 was an unallowable charge and should be refunded to the Local Business Tax Receipts fund.

TEEN COURT PROGRAM

MMAP administers Miami-Dade County Teen Court, an intervention and prevention program for first-time misdemeanor offenders who agree to allow their peers instead of the juvenile justice system to determine their sentencing. Once participants successfully complete program sanctions, their records are expunged, giving them a second chance. The Program is funded from Traffic Ticket Surcharge revenue collections. Over the four years ended September 30, 2007, Program revenue totaled \$3.7 million and expenditures amounted to \$4.3 million, as summarized in Table XXIII.

**Table XXIII
Teen Court Program
Revenue and Expenditures For the Four Years Ended September 30, 2007**

Revenue	\$ 1,091,489	\$ 164,687	\$ 1,123,688	\$ 1,277,132	\$ 3,656,996	
Expenditures						
Salaries and Benefits	846,258	813,955	723,660	637,774	3,021,647	\$ -
Consulting Services	359,305	2,825	41,904	61,750	465,784	136,603
Grants to Others	320,610	128,209	-	1,000	449,819	-
Rentals and Leases	61,254	41,989	54,124	67,389	224,756	163,043
Other Operational Costs	41,516	23,773	33,644	34,562	133,495	-
Other Contractual Services	16,243	8,164	5,464	4,498	34,369	-
	<u>1,645,186</u>	<u>1,018,915</u>	<u>858,796</u>	<u>806,973</u>	<u>4,329,870</u>	<u>\$ 299,646</u>
Excess/(Deficit)	<u>\$ (553,697)</u>	<u>\$ (854,228)</u>	<u>\$ 264,892</u>	<u>\$ 470,159</u>	<u>\$ (672,874)</u>	
Fund Balance (Memo Only)	<u>\$ 1,801,172</u>	<u>\$ 1,200,288</u>	<u>\$ 1,573,721</u>	<u>\$ 2,157,363</u>		

Source: FAMIS General Ledger Reports

Rentals and leases totaled \$224,756 during the audit period, of which we question \$163,043 due to incomplete supporting documentation. Other operational costs amounted to \$133,495 and included \$69,424 in general and administrative expenses, as well as charges for machinery and equipment, maintenance and repairs, and other County services. Consulting services totaled \$465,784, of which \$181,141 represented expenditures under Professional Service Agreements for Teen Court personnel and \$267,544 was disbursed among five other entities (Table XXIV). Questioned consulting fees amount to \$136,603, including \$37,500 paid to the City of Miami, whose file was not located by MMAP staff for our review.

Disbursements recorded as Grants to Others included \$249,155 paid to the MMAP Foundation, Inc. for occupancy costs at a facility housing the MLK Academy and Teen Court operations, as well as \$198,083 paid to the Teen Police Academy, Inc. (Table XXIV). In total, we question \$299,646 disbursed under the Teen Court program, as discussed below along with other pertinent observations.

Table XXIV
Consulting Services and Grants to Other
For Four Years Ended September 30, 2007

Consulting Services:						
Professional Service Agreements	\$ 163,987	\$ -	\$ 4,154	\$ 13,000	\$ 181,141	\$ -
Teen Police Academy, Inc.	130,941	-	-	-	130,941	-
Florida Martin Luther King, Jr. City of Miami	-	-	-	43,575	43,575	43,575
Florida International University	30,000	-	37,500	-	37,500	37,500
BlackHistory Tours.com, Inc.	25,528	-	-	-	30,000	30,000
	<u>186,469</u>	<u>-</u>	<u>37,500</u>	<u>43,575</u>	<u>267,544</u>	<u>-</u>
Other Consultants	8,849	2,825	250	5,175	17,099	-
	<u>\$ 359,305</u>	<u>\$ 2,825</u>	<u>\$ 41,904</u>	<u>\$ 61,750</u>	<u>\$ 465,784</u>	<u>\$ 136,603</u>
Grants to Others						
MMAP Foundation, Inc.	\$ 249,155	\$ -	\$ -	\$ -	\$ 249,155	\$ -
Teen Police Academy, Inc.	70,074	128,009	-	-	198,083	-
Other	1,381	200	-	1,000	2,581	-
	<u>\$ 320,610</u>	<u>\$ 128,209</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ 449,819</u>	<u>\$ -</u>

Source: FAMIS General Ledger Reports

Teen Police Academy, Inc.

The Teen Police Academy, Inc. offers a four-stage pilot program which exposes at-risk teens that have had minor infractions with the law to various legal, political, financial, and educational aspects. The organization was paid \$329,024 during the audit period -- \$130,941 under consulting services and \$198,083 in grants (Table XXIV).

Reimbursement requests submitted were reviewed on a test basis, focusing mostly on high dollar amounts. We noted issues identified by the MMAP accountant indicating budget overruns, such as the College History Tour, which went \$7,600 over budget. Though expenditures were generally supported, there were no attendance records on file to determine number of teens helped, nor was there a formal curriculum or dates on which these sessions were held. Without such information, achievement of program objectives cannot be determined.

Recommendation

Prospectively, MMAP should require attendance records and other statistics that would enable them to assess overall Program effectiveness.

Florida Martin Luther King, Jr. Institute for Nonviolence, Inc.

On March 13, 2007, MMAP awarded \$45,000 to the Florida Martin Luther King, Jr. Institute for Nonviolence, Inc. (the Institute) to provide a facilitator and training materials on the teachings of Dr. King's non-violent management principles of social change. The training was conducted over the 10-month school year from October 2006 through July 2007.

A total of \$43,575 was paid through August 7, 2007, with the remaining \$1,425 paid in January 2008 (Table XXIV). Supporting invoices on file provide dates of training sessions, but lack details as to topics taught, number and list of attendees, trainer's name or qualifications, and cost of training materials used, including cancelled checks as proof of payment. From March through April 2008, additional payments to the Institute outside the scope of our review total \$41,784.

The MMAP Trust Board Chairperson is also Executive Director of the Institute, having held this position since at least September 2006 and that of President since April 2003. He has also been a member of the MMAP Board since at least July 2003, based on Board Minutes reviewed. County Ordinance 01- 01, Section 2-503(c), prohibits any officer of an agency contracting with or receiving funding from the MMAP Trust from being a member of the MMAP Board of Trustees. Although MMAP obtained an opinion from the Ethics Commission sanctioning this contractual relationship, the Ordinance does prohibit the Chair from contracting with MMAP.

Recommendation

To assure compliance with County Ordinance 01-01 and avoid appearance of conflict of interest, services should not be procured from entities with ties to Board members. MMAP staff should also ensure that adequate support is obtained and retained in file for services rendered and amounts reimbursed, or otherwise refund amounts disbursed to the funding source.

Florida International University

In September 2003, MMAP contracted with FIU at a cost of \$30,000 to create a tutoring program for Teen Court participants and adolescents in need of academic support attending the Martin Luther King Leadership Academy (Table XXIV). The program was to be delivered through two-hour Saturday morning sessions held at the Teen Court North Office during the Fall 2003 and Spring 2004 90-day terms. Three reports outlining program results were to be issued by FIU in October 2003 and February and June 2004, respectively. Only the Fall 2003 report submitted on January 23, 2004 was found on file.

Recommendation

MMAP should ensure that reports detailing program results are submitted by contractors in compliance with agreement requirements and retained in file. Missing reports for the tutoring program should be requested and obtained, or otherwise funds returned for non-compliance.

Lease Payments

From October 1, 2003 through September 30, 2007, MMAP incurred \$163,043 in lease expenses to house its Teen Court Program's South Office in West Perrine (Table XXV). On June 1, 2003, MMAP entered into a one-year lease with West Perrine Community Development Corporation (WPCDC) for 2,146 square feet of space at their Lee A. Lawrence, Sr. Building. The lease agreement, renewable for two one-year terms, provided for monthly rent of \$3,223. On May 27, 2004, the lease was extended on a month-to-month basis through August 2005. Invoices from WPCDC to support lease payments were not available for review, as the supporting files had been retrieved by law enforcement officials.

Table XXV
Teen Court Program – Rentals and Leases

West Perrine CDC	\$ 48,339	\$ 35,448	\$ -	\$ -	\$ 83,787
Pegasus Holding, LLC	-	-	35,448	43,808	79,256
Teen Court Lease Charges - South Office	48,339	35,448	35,448	43,808	163,043
Other	12,915	6,541	18,676	23,581	61,713
	<u>\$ 61,254</u>	<u>\$ 41,989</u>	<u>\$ 54,124</u>	<u>\$ 67,389</u>	<u>\$ 224,756</u>

Source: FAMIS General Ledger Reports

Public records reflect that WPCDC sold the Lee A. Lawrence, Sr. Building on July 30, 2004 to Pegasus Holding, LLC. (Pegasus). Nonetheless, monthly lease payments of \$3,223 to WPCDC continued through August 2005. File documentation suggests Pegasus took over the lease in September 2005, although no new lease agreement was executed. Pegasus lease payments for September and October 2005 totaling \$6,445 were charged to MLK expenses and are not reflected in the \$79,256 listed above. Monthly payments to Pegasus continued at \$3,223 through April 2007, increasing to \$3,542 in May 2007. This South Office was closed subsequent to our audit period.

Recommendation

Prospectively, MMAP should ensure that formal lease agreements are executed for leased properties, particularly when there is a change in landlords, to define rights and responsibilities of all parties.

MARTIN LUTHER KING, JR. LEADERSHIP ACADEMY

The Martin Luther King, Jr. Leadership Academy (MLK Academy) is a specialized program of Miami-Dade County Public Schools administered by MMAP. The Program covers basic academic courses for grades 6th through 9th, as well as cultural peer interaction, job skills development, youth entrepreneurial training, judicial awareness activities, budget and household management, individual counseling sessions, and nonviolence training. Program revenue and expenditures are summarized in Table XXVI.

Table XXVI
MLK Academy
Revenue and Expenditures For the Four Years Ended September 30, 2007

Revenue	\$ 640,603	\$ 804,801	\$ 651,760	\$ 618,434	\$ 2,715,598
Expenditures					
Salaries and Benefits	61,832	65,294	71,255	76,905	275,286
Personal Service Agreements	521,901	602,840	494,140	408,124	2,027,005
Rentals and Leases	3,657	93,905	101,480	96,013	295,055
Consulting Services	13,184	19,780	35,276	40,889	109,129
Other Operational Costs	10,608	22,353	12,881	36,857	82,699
Grants to Others	2,622	630	2,574	1,056	6,882
	613,804	804,802	717,606	659,844	2,796,056
Excess/(Deficit)	\$ 26,799	\$ (1)	\$ (65,846)	\$ (41,410)	\$ (80,458)

Source: FAMIS General Ledger Reports

Expenditures were primarily comprised of charges under Professional Service Agreements and salary and benefits for MLK Academy personnel. Additionally, from August 2005 through September 2007, \$223,563 was paid to Solid Foundation Learning Center, Inc. for rental of the facility housing the MLK Academy and Teen Court. Of that amount, \$215,229 was allocated to the MLK program and \$8,334 to Teen Court. Ten rental payments totaling \$85,833 lacked supporting invoices on file. Further, invoices for May, June, and July 2007 rent included charges for plumbing and other maintenance repairs totaling \$1,480 which, according to the lease agreement, are the responsibility of the landlord.

Recommendation

MMAP should assure that invoices supporting all payments are retained in file. Unless otherwise agreed by MMAP in advance, seek reimbursement of the \$1,480 that should have been paid by the lessor.

OTHER MATTERS

Tola Thompson

In October 2006, MMAP paid \$50,000 to Tola Thompson, a legislative consultant/lobbyist out of Washington, DC. The first of two invoices for \$25,000 each, dated August 31, 2006, described the invoiced amount as consulting fee for "prepaid expense to the Avenue." The second invoice, issued September 12, 2006, was for "additional expense associated with CBC event." We found no contract supporting amounts paid or describing services provided.

Limited information was obtained from current MMAP staff, who indicated payment was to organize a Congressional Black Caucus reception in Washington D.C. to promote MMAP at the national level and enhance opportunities to receive federal funding. Staff noted that two Board members attended. As reflected in Minutes dated October 18, 2006, the MMAP Board ratified their Executive Committee's decision to pay Mr. Thompson, as the event was described as being in partnership with U.S. Representative Kendrick Meek. The Minutes also reported \$62,000 was collected during "this fundraising event," although it is unclear on whose behalf funds were received. Notably, Tola Thompson previously held positions as communications director, senior legislative assistant, and political director for U.S. Representative Carrie Meek.

**Table XXVII
 Private Contributions to MMAP Used to Fund Consultant Payments**

Blue Cross Blue Shield of Florida - Jacksonville, FL	\$ 20,000	08/29/06	09/08/06
BellSouth	15,000	08/29/06	09/08/06
Commercebank - Miami, FL	10,000	12/06/05	12/22/05
Advanced Concepts, Inc. - Columbia, MD	5,000	08/18/06	09/08/06 ¹
Community Financial Services Association - State Legislative Initiative - Alexandria, VA	5,000	08/18/06	09/19/06 ¹
Deutsche Post World Net USA, Inc. - Washington, DC	5,000	09/01/06	09/19/06 ²
Florida Crystals Corporation - West Palm Beach, FL	5,000	09/06/06	09/19/06
U.S. Chamber of Commerce and Related Entities - Washington, DC	2,500	08/25/06	09/08/06 ¹
	<u>\$ 67,500</u>		

¹ Checks addressed to MMAP at Tola Thompson's business address

² Check with memo notation referencing sponsorship of Rep. Meek Reception 9/6/2006

We noted \$67,500 in private donations to MMAP, ranging from \$2,500 to \$20,000, which were deposited in the County's general operating account, as detailed in Table XXVII. Typically, MMAP donations are deposited in the account of the MMAP Foundation, Inc., its fundraising non-profit organization. All checks were payable to MMAP, however, three were addressed to Tola Thompson's business address. Further, one other check had a memo notation indicating "sponsorship...Rep. Meek Reception 9/6/2006."

Recommendation

MMAP should ensure that all services are competitively procured to avoid perceptions of favoritism. Agreements with service providers should be in

writing, including deliverables and timetables, to assure rights and responsibilities of all parties are clearly defined. Retain agreements in file and ensure that supporting documentation is obtained, including activity or other required reports, to support expenditures incurred and services provided.

Marriott International, Inc.

Marriott International, Inc. was paid \$10,066 to cover the cost of the 2006 MMAP Trust Retreat, a three-days/two-nights event held at the Doral Resort in Miami. According to staff, the purpose of the retreat was to discuss MMAP's accomplishments and progress, community issues, and goals for upcoming years. Fourteen rooms were charged for five MMAP staff and nine Board members, at a rate of \$119 per night for 2 nights. Notably, two-days' breakfasts and one luncheon buffet were billed for a count of 30 each, rather than 14, as would be expected with 14 single rooms occupied.

Recommendation

Overnight retreats at offsite locations should be discouraged when alternative County facilities could provide a viable venue for strategic planning efforts, especially when funding for Program services is limited.

Payments to Non-Profit Organizations and other Payees

For the four years ended September 30, 2007, we reviewed \$34,660 in payments to non-profit organizations and others. A number of these payments were either considered excessive, outside the scope of MMAP's organizational mission, or lacked supporting documentation/Board approval, as summarized on Schedule V.

Recommendation

MMAP staff should ensure that all disbursements are adequately supported and, in the case of donations, properly approved by the MMAP Board, including documentation of mission relevance. When donations fund participation at specific events, event programs evidencing MMAP sponsorship or advertising should be maintained in file. Payments to organizations outside MMAP's mission should be avoided to prevent perceptions of favoritism, unless objective standards are formulated and adhered to.

Missing Files

We selected 21 vendors who received \$1.67 million in payments, ranging from \$10,000 to \$467,274, to assess propriety of expenditures. Disbursements to two of the vendors, listed below with their corresponding amounts, could not be verified for propriety because their files could not be located by MMAP staff:

- Alternative Programs, Inc. - \$22,000
- Miami-Dade Community College - \$14,499

Recommendation

MMAP should obtain supporting documentation from the above-named recipients to substantiate propriety of funds disbursed, or otherwise reimburse costs incurred to the funding source.

**Metro-Miami Action Plan Trust Follow-Up
Revenues and Expenditures Summary
For the Four Years Ended September 30, 2007**

<u>Revenues</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>Total</u>
Documentary Stamp Surtax	\$ 2,957,692	\$ 4,009,744	\$ 3,807,965	\$ 2,855,717	\$ 13,631,118
MMAP Administration (General Funds)	1,022,360	998,265	968,317	903,481	3,892,423
Teen Court	1,078,212	156,624	1,119,678	1,252,697	3,607,211
MLK Academy	640,603	804,801	651,760	618,434	2,715,598
MMAP Economic Development (8% Local Business Tax)	312,690	292,074	346,730	280,311	1,231,805
Overtown Revitalization	-	500,000	17,994	-	517,994
Interest Earnings	5,677	57,367	177,018	121,565	361,627
MMAP CBO Programs (Incl. donations, interest earnings)	8,886	13,063	69,599	33,125	124,673
Teen Court Interest Revenue	13,277	8,063	4,010	24,435	49,785
3% Commitment Fee	-	14,500	15,000	-	29,500
Neighborhood Acct. Board (NAB) Federal Revenues	5,000	9,899	-	-	14,899
NAB Grant Rev NB107- State Revenues	(4,498)	18,372	-	-	13,874
Cash Misc Income	4,457	4,135	2,556	2,056	13,204
	<u>6,044,356</u>	<u>6,886,907</u>	<u>7,180,627</u>	<u>6,091,821</u>	<u>26,203,711</u>
<u>Expenditures</u>					
Documentary Stamp Surtax (MMAP HAP Program) ¹	561,725	672,305	615,369	5,973,492	7,822,891
Teen Court Operation	1,645,186	1,018,915	858,796	806,973	4,329,870
MMAP Administration	1,022,360	998,265	968,317	903,481	3,892,423
MLK Academy	613,804	804,802	717,606	659,844	2,796,056
MMAP Economic Development (8% Local Business Tax)	43,711	508,945	389,660	500,273	1,442,589
Overtown Revitalization Program/Administration	-	500,000	17,994	-	517,994
MMAP CBO Programs	22,525	900	21,796	101,821	147,042
NAB Grant NB107	502	18,372	-	-	18,874
Planning & Technical Assistance Package	-	9,899	-	-	9,899
	<u>3,909,813</u>	<u>4,532,403</u>	<u>3,589,538</u>	<u>8,945,884</u>	<u>20,977,638</u>
Net Income/ (Loss)	<u>\$ 2,134,543</u>	<u>\$ 2,354,504</u>	<u>\$ 3,591,089</u>	<u>\$ (2,854,063)</u>	<u>\$ 5,226,073</u>

Source: Financial Accounting Management Information System (FAMIS) reports

Note:

¹ In 2007, program expenses include \$5,138,757 recorded as an adjustment to amortize forgivable loans and foreclosures.

Metro-Miami Action Plan Trust Follow Up
Mortgages Receivable Reviewed

Loan No.	Loan Date	Purchased Property Address	MMAP Subsidy	Sales Price	Closing Costs	Total Paid	First Mortgage		Second Mortgage		Third Mortgage		Fourth Mortgage		Fifth Mortgage		Ad/Pd by Seller	Total
							Balance	Rate	Balance	Rate	Balance	Rate	Balance	Rate	Balance	Rate		
41855	1-3	10/20/06	206,250	\$ 275,000	\$ 14,943	\$ 289,943	\$ 76,000	MMAP	\$ 206,250	MMAP	-	-	-	-	-	-	-	\$ 289,943
41858	1-3	10/01/06	206,250	275,000	15,152	290,152	76,000	JP Morgan Chase	206,250	MMAP	-	-	-	-	-	-	6,219	296,371
42081	1-3	12/21/06	202,275	269,700	15,551	285,251	77,100	JP Morgan Chase	202,275	MMAP	-	-	-	-	-	-	3,276	291,527
41968	2	11/16/06	198,750	265,000	11,379	276,379	75,000	BankTrust	198,750	MMAP	-	-	-	-	-	-	2,629	279,008
41881	1	10/21/06	180,000	240,000	6,486	246,486	17,600	Northern Trust	180,000	MMAP	40,000	MDHA	-	-	-	-	8,831	255,317
41845	3	10/18/06	174,750	233,000	13,987	246,987	68,500	JP Morgan Chase	174,750	MMAP	-	-	-	-	-	-	4,937	251,924
42244	1	03/16/07	181,750	189,000	12,640	201,640	56,700	Northern Trust	181,750	MMAP	-	-	-	-	-	-	1,990	203,630
			\$ 1,310,025	\$ 1,746,708	\$ 90,138	\$ 1,836,846	\$ 449,700		\$ 1,310,025		\$ 40,000					\$ 33,505	\$ 1,870,351	
42262	3	05/18/07	256,000	\$ 216,000	\$ 11,135	\$ 227,135	\$ 31,000	Flick Mortgage	\$ 28,250	MDHA	\$ 108,560	HOME	\$ 40,000	\$ 64,825	\$ 2,450	\$ -	\$ -	\$ 247,135
42128	02/09/07	10750 SW 146 Street	56,000	218,000	12,312	230,312	57,580	BankTrust	70,000	MDHA	45,000	HOME	56,000	-	1,555	177	-	230,312
42144	02/02/07	2186 W 60 Street	45,000	170,000	9,858	179,858	73,100	FISBC	60,000	MDHA	45,000	MMAP	-	-	1,700	58	-	179,858
42465	3	06/22/07	172,000	189,000	14,649	203,649	151,200	BankTrust	45,000	MMAP	4,979	Manch Florida	-	-	1,000	1,470	-	203,649
41705	08/18/06	10720 SW 146 Street	25,000	225,000	12,143	237,143	43,000	BankAtlantic	70,000	MDHA	92,000	HOME	25,000	-	6,886	457	-	237,143
42036	3	12/4/06	25,000	190,000	7,864	197,864	70,500	City Nat Bank	60,000	MDHA	25,000	MMAP	-	-	2,364	-	-	197,864
42054	1	12/29/06	334,000	202,000	11,148	213,148	170,000	BankUnited	25,000	MMAP	-	-	-	-	18,148	-	-	213,148
42055	3	03/07/07	151,500	149,999	9,881	159,880	61,500	BankUnited	70,000	MDHA	25,000	MMAP	-	-	3,012	368	-	159,880
42135	02/13/07	2156 NW 86 Terr	25,000	180,000	13,333	193,333	81,500	Wachovia	60,000	MDHA	25,000	HOME	25,000	-	1,800	33	-	193,333
42212	03/16/07	616 NW 26 Avenue	25,000	185,000	11,604	196,604	69,450	FISBC	53,000	MDHA	40,000	City of Miami	25,000	-	8,750	404	-	196,604
42335	04/30/07	15500 SW 80 Street	25,000	165,000	8,562	173,562	74,950	FISBC	70,000	MDHA	25,000	MMAP	-	-	2,868	744	-	173,562
41842	11/10/06	2260 NW 112 Terr	24,000	240,000	9,635	249,635	52,800	Flick Mortgage	60,000	MDHA	110,400	HOME	24,000	-	2,435	-	-	249,635
42763	10/26/07	2342 NW 53 Street	96,225	225,000	13,605	238,630	66,250	Northern Trust	70,000	MDHA	98,225	MMAP	-	-	2,258	1,872	-	238,630
			\$ 508,050	\$ 2,534,999	\$ 145,729	\$ 2,680,728	\$ 974,930		\$ 741,200		\$ 644,164		\$ 196,000	\$ 64,825	\$ 55,025	\$ 5,563	\$ 2,680,728	
34802	05/25/01	15815 NW 20 Ave	10,000	63,000	5,211	68,211	56,978	Crossfire Financial	10,000	MMAP	-	-	-	-	2,017	216	-	68,211
41583	06/07/06	21125 NE 5 Place	9,000	160,000	9,897	169,897	95,200	BankUnited	60,000	MDHA	9,000	MMAP	-	-	5,019	678	-	169,897
42274	03/19/07	2130 NW 98 Street	13,800	275,000	12,652	287,652	266,700	Bank of America	13,300	MMAP	-	-	-	-	6,325	757	-	287,652
42090	12/28/06	3245 Virginia Street	13,000	235,000	15,246	250,246	227,950	BankUnited	13,000	MMAP	-	-	-	-	6,946	2,350	-	250,246
41948	10/27/06	1600 Byron Avenue	12,355	206,000	4,794	210,794	169,800	Northern Trust	21,950	City of MB	12,355	MMAP	-	-	6,180	509	-	210,794
41614	07/12/05	10106 SW 20 Street	12,000	220,000	16,313	236,313	133,400	CityMortgage	60,000	MDHA	12,000	MMAP	-	-	8,900	2,013	-	236,313
42258	04/18/07	423 NE 210 Circle	11,480	198,000	9,842	207,842	127,500	JP Morgan Chase	60,000	MDHA	11,880	MMAP	-	-	2,927	5,335	-	207,842
41221	11/15/03	15375 SW 296 Street	11,400	190,000	12,079	202,079	184,300	Bank of America	11,400	MMAP	-	-	-	-	4,879	1,500	-	202,079
42329	06/27/07	2117 NW 81 Street	11,400	190,000	13,743	203,743	132,000	FISBC	21,300	MDNHS	16,667	MDNHS	11,400	-	2,368	8	-	203,743
41773	02/08/06	2134 SW 7 Avenue	11,100	185,000	14,047	196,047	148,000	BankTrust	31,450	BankTrust	11,100	MMAP	-	-	6,372	2,125	-	196,047
41297	02/08/06	1166 NW 45 Street	10,980	183,000	10,657	193,657	136,700	CityMortgage	40,000	MDHA	10,980	MMAP	-	-	5,000	977	-	193,657
41771	11/13/06	1028 SW 2 Street	10,600	192,000	11,565	203,565	191,000	Bank of America	10,600	MMAP	-	-	-	-	1,965	-	-	203,565
41674	07/25/06	2750 NW 198 Terr	10,500	175,000	11,523	186,523	99,750	Washington Mutual	70,000	MDHA	10,500	MMAP	-	-	4,115	2,158	-	186,523
42142	01/31/07	1779 NW 45 Street	10,500	210,000	8,643	218,643	158,850	FISBC	40,000	MDHA	10,500	MMAP	-	-	7,235	2,058	-	218,643
42315	3	01/10/07	15205 NE 6 Ave	169,900	7,293	177,193	94,800	FISBC	70,000	MDHA	10,194	MMAP	-	-	2,199	-	-	177,193
41821	09/01/06	3248 Shea Avenue	10,146	245,000	15,605	260,605	245,000	Wachovia	10,146	MMAP	-	-	-	-	3,459	-	-	260,605
34388	3	08/31/00	210 Mendoza Ave	79,900	4,462	84,362	63,920	Washington Mutual	10,000	MMAP	-	-	-	-	10,442	-	-	84,362
34493	12/08/01	6773 NW 189 Terr	10,000	83,000	6,258	89,258	40,380	CitiBank	33,200	MDHA	10,000	MMAP	-	-	5,678	-	-	89,258
34663	02/06/01	950 Euclid Avenue	10,000	197,400	13,420	210,820	61,420	Gibraltar Bank	28,000	MDHA	10,000	MMAP	-	-	-	-	-	210,820
41469	05/08/06	1234 NW 4 Street	10,000	197,400	10,000	207,400	79,200	Gibraltar Bank	50,000	MDHA	67,200	City of Miami	10,000	-	500	-	-	207,400
42153	02/12/07	2188 NW 47 Street	10,000	175,000	6,943	181,943	110,000	JP Morgan	60,000	MDHA	10,000	MMAP	-	-	1,891	52	-	181,943
42367	05/08/07	1138 W 44 Street	10,000	255,000	11,238	266,238	252,450	Bank of America	10,000	MMAP	-	-	-	-	2,557	1,231	-	266,238
42471	06/15/07	1632 NW 59 Street	9,900	165,500	12,424	177,924	50,000	CityMortgage	50,000	MDHA	40,000	City of Miami	9,900	-	7,024	-	-	177,924
41950	12/01/06	8129 Abbott Ave	5,800	160,800	5,400	166,200	59,000	Northern Trust	50,000	MDHA	9,600	MMAP	-	-	4,800	-	-	166,200
			\$ 258,355	\$ 4,298,700	\$ 280,337	\$ 4,579,037	\$ 3,337,948		\$ 634,846		\$ 261,976		\$ 41,300	\$ 60,000	\$ 110,728	\$ 22,170	\$ 4,579,037	

Notes:
 1 Borrower's original address not in targeted urban area
 2 Borrower's original address not in file
 3 Income eligibility verified, without exception.
 4 All fourth and fifth mortgages were provided by MMAP, except for loan 42262, where fourth was provided by City of Miami, and loan 41950, where both were provided by City of Miami Beach/SHF.

Metro Miami Action Plan Trust Follow-Up
 Loan File Documentation Deficiencies

Lottery Winners								
41835	X	X		X	X			X
41858		X		X	X			X
42061		X		X	X			X
41843		X		X	X			X
42244		X		X	X		X	
Consolation Loans								
42262								
42128								X
42144						X		X
42465								X
42036				X	X			X
42212								
42335								X
34802				X	X			X
Other Loans								
41583		X			X			
42274				X	X			X
41948								X
41614						X		
42258								X
41221				X	X			
42329		X		X	X		X	
41773		X						
41297								
41771		X		X	X		X	
41821		X						
34643			X		X			
42153		X		X	X			X
42367		X		X	X		X	
42471		X		X	X		X	
41950		X						

Source: MMAP Loan Files

Metro-Miami Action Plan Trust Follow-Up
 Summary of Surtax Loans as Recorded in MMAP Database and FAMIS
 From Program Inception through 9/30/07

		Pre 1997	Post 1997	Total	Difference
MMAP LOANS ON ACCESS DATABASE AND FAMIS					
Active Loans					
MMAP Loan Amounts Agree to FAMIS	Pre 1997	336	\$ 870,097	\$ 870,097	\$ -
	Post 1997	2,541	17,404,489	17,404,489	-
		2,877	18,274,586	18,274,586	-
MMAP Loan Amounts Differ from FAMIS	Pre 1997	14	\$ 34,417	\$ 31,206	\$ 3,211
	Post 1997	53	268,355	326,691	(58,336)
		67	302,772	357,897	(55,125)
Sub-total Active		2,944	\$ 18,577,358	\$ 18,632,483	\$ (55,125)
Loans in Bankruptcy					
Sub-total Bankruptcy	Pre 1997	2	\$ 5,680	\$ 5,680	\$ -
	Post 1997	1	2,900	2,900	-
		3	\$ 8,580	\$ 8,580	\$ -
Cancelled Loans					
Sub-total Cancelled	Pre 1997	7	\$ 18,693	\$ 18,693	\$ -
	Post 1997	8	34,355	34,355	-
		15	\$ 53,048	\$ 53,048	\$ -
Loans in Foreclosure					
MMAP Loan Amounts Agree to FAMIS	Pre 1997	86	\$ 226,706	\$ 226,706	\$ -
	Post 1997	30	87,618	87,618	-
		116	314,324	314,324	-
MMAP Loan Amounts Differ from FAMIS: Sub-total Foreclosures:	Pre 1997	2	\$ 5,320	\$ 3,980	\$ 1,340
	Post 1997	118	319,644	318,304	\$ 1,340
Forfeivable Loans					
	Pre 1997	21	\$ 57,232	\$ 57,232	\$ -
Payoffs					
MMAP Loan Amounts Agree to FAMIS:	Pre 1997	1	\$ 3,000	\$ 3,000	\$ -
	Post 1997	6	24,664	24,664	-
		7	27,664	27,664	-
MMAP Loan Amounts Differ from FAMIS:	Pre 1997	17	\$ 44,572	\$ (2,968)	\$ 47,540
	Post 1997	25	90,517	25,199	65,318
		42	135,089	22,231	112,858
Sub-total Payoffs:		49	\$ 162,753	\$ 49,895	\$ 112,858
Loans Pending					
	Post 1997	4	\$ 46,200	\$ 46,200	\$ -
Total Loans on ACCESS Database and FAMIS		3,154	\$ 19,224,815	\$ 19,165,742	\$ 59,073
MMAP LOANS ON ACCESS DATABASE NOT IN FAMIS (All issued before 9/30/97)					
Active		21	\$ 57,735		
Cancelled		16	\$ 6,080		
Payoffs		419	\$ 1,055,619		
Total Loans on ACCESS Database not in FAMIS		456	1,119,634		
Total MMAP Loans Outstanding per ACCESS		3,610	\$ 20,344,449		

Metro-Miami Action Plan Trust Follow-Up
 Review of Selected Payments/Contributions to Non-Profit Organizations and Other Payees
 For the Four Years Ended September 30, 2007

Organization	2004	2005	2006	2007	Total	Description
Miami Bahamas Goombay Festival	\$ 2,500	\$ 5,000	\$ -	\$ -	\$ 7,500	Program book advertisement and Festival sponsorship. Two payments disbursed four months to one year after being invoiced.
Black Executive Forum, Inc.	1,000	2,000	-	-	3,000	Board approval not on file.
Black Business Association, Inc.	2,000	-	-	-	2,000	No record of attendees to event or Board approval on file.
Family Christian Association of America, Inc.	-	-	2,000	-	2,000	Sponsorship of Golf Tournament - No record of attendees to event on file.
National Association for the Advancement of Colored People	1,000	-	-	1,000	2,000	Freedom Fund Banquet and Dinner/Entertainment Gala - No record of attendees to event or Board approval on file.
Orange Bowl Committee	-	-	1,500	-	1,500	Banquet Dinner - No record of attendees to event on file. 2007 Anniversary celebration - no record of attendees to event or Board approval on file.
People for the American Way Foundation	-	-	1,500	-	1,500	Fiscal year 2005 payment was for ad in souvenir booklet for Annual Golf Tournament. No supporting documentation for remaining payments. Board approval not on file.
Christ Episcopal Church	-	400	500	500	1,400	
Tallahassee Urban League, Inc.	-	-	1,400	-	1,400	No supporting documentation or Board approval on file.
Artise Foundation, Inc.	-	1,355	-	-	1,355	Professional service agreement (PSA) for workshop and training materials - PSA signed one month after service held. No record of workshop content, materials provided, or Board approval on file.
Bahamian Cuisine	1,305	-	-	-	1,305	No support provided - Company was dissolved in 1992.
Josie's Passover & Good Friday Service	-	-	-	1,000	1,000	Contribution to fund attendance of elderly and youth at annual brunch. No record of attendees on file.
Miami Dade Community College Foundation	-	-	-	1,000	1,000	Contribution to Miami-Dade College Medical Center Campus Community Health Fair - Board approval not on file.
Mount Zion African Methodist Episcopal Church	-	-	1,000	-	1,000	Sponsorship to Unity Day Program, including full-page ad in souvenir book - Board approval not on file.

See Page 2 for Source.

MMAP AUDIT RESPONSE



Memorandum



Date: September 4, 2008

To: Chairman and Members of the
Board of County Commissioners

From: John T. Jones, Jr., Chairman
Metro-Miami Action Plan Trust

Subject: Audit Review Response

Attached is the MMAP Trust response to the audit review. The Trust acknowledges audit findings and recommendations deemed appropriate to improve efficiency and the level of service provided to the community. Additionally, the response clarifies inaccurate findings, provides additional documentation as well as specific action steps.

The Trust and staff are under the administrative new leadership, with the appointment of a new Executive Director, and remains totally committed to the agency's mission. In an effort to improve contract and fiscal accountability, the Trust will aggressively implement Contract Payment Request Procedures and Contract Monitoring Guidelines (see attachments) to improve our business practices. In addition, the Trust will continue to work closely with the County Attorney's Office and consult the Procurement Department to competitively bid contracts for qualified providers. As we move forward to examine economic development projects, we will create an independent Business Loan/Grant Review Committee comprised of business professionals to review all funding requests. MMAP staff will review and revamp the filing system in each division to maintain accurate data in an organized comprehensive fashion to improve the review and retrieval of documents and information. We believe all of these areas will help to enhance the Trust's operations.

Findings of the audit report address the need for better accountability and documentation on the part of the Trust. The audit fails to address the fact that over the past 15 years, the MMAP Trust budget has been reduced each year by the County administration, thereby hampering the Trust's ability to adequately address program issues. The MMAP Trust recently published a Thirty-Year Retrospective, "The Status of the Black Community in Miami-Dade County". This document provided much needed information, as well as data and statistics regarding the underserved conditions of Dade County's poorest neighborhoods. There are many concerns and issues that continue to exist in the Black community regarding housing, health, economic development, criminal justice

**METRO-MIAMI
ACTION PLAN
TRUST**

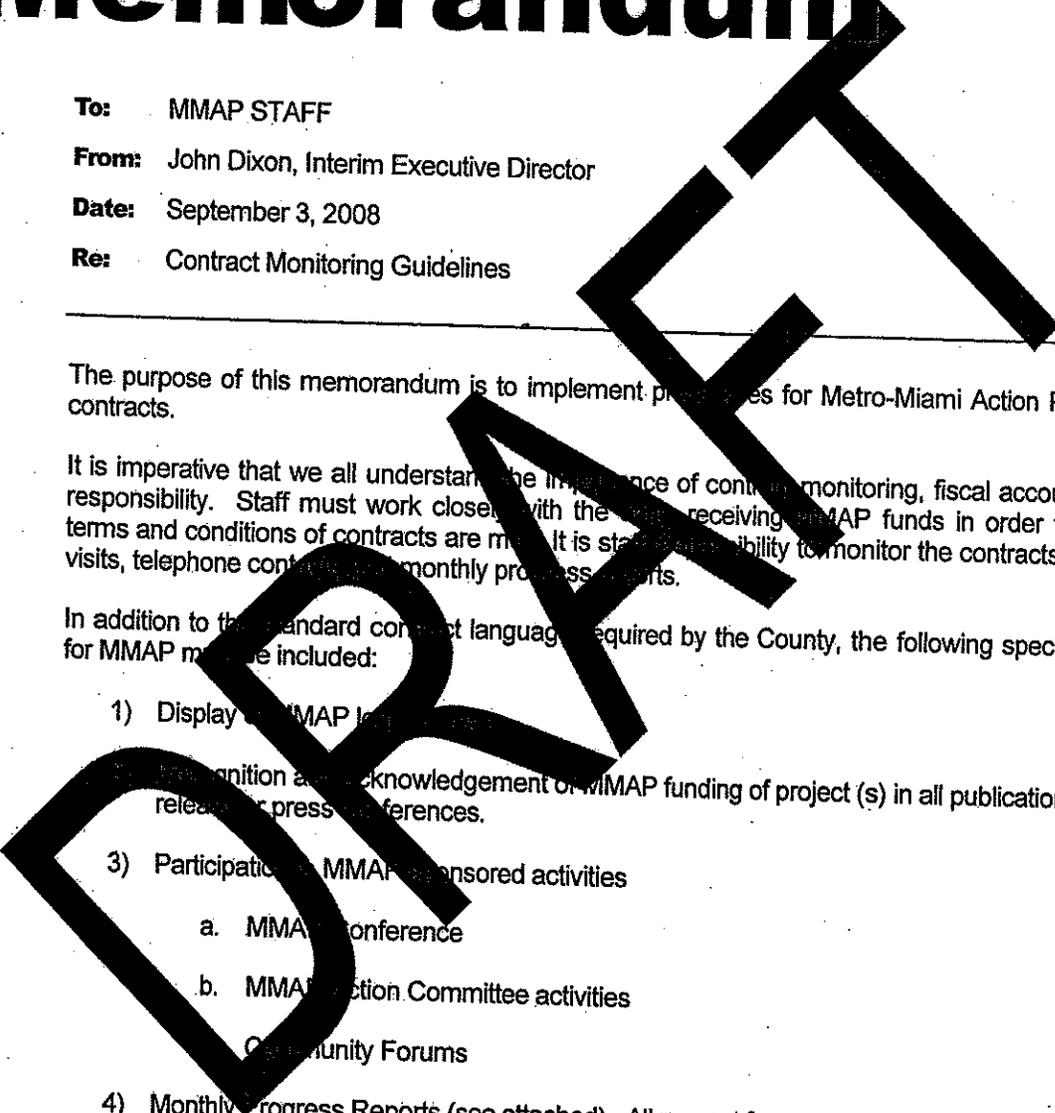
Memorandum

To: MMAP STAFF
From: John Dixon, Interim Executive Director
Date: September 3, 2008
Re: Contract Monitoring Guidelines

The purpose of this memorandum is to implement procedures for Metro-Miami Action Plan (MMAP) contracts.

It is imperative that we all understand the importance of contract monitoring, fiscal accountability and responsibility. Staff must work closely with the vendors receiving MMAP funds in order to be certain terms and conditions of contracts are met. It is staff responsibility to monitor the contracts through site visits, telephone contact and monthly progress reports.

In addition to the standard contract language required by the County, the following specific language for MMAP contracts is included:



- 1) Display MMAP logo
- 2) Recognition and acknowledgement of MMAP funding of project (s) in all publications, news releases or press conferences.
- 3) Participation in MMAP sponsored activities
 - a. MMAP Conference
 - b. MMAP Action Committee activities
 - c. Community Forums
- 4) Monthly Progress Reports (see attached). All request for payments are on a reimbursement basis unless otherwise stated in the contract. Invoices for payment must include:
 - a. Time sheets (Payroll records if applicable)
 - b. Monthly progress report for period reimbursement is requested. The progress report will include program results and effectiveness.
 - c. Cancelled checks if applicable.
 - d. Records of equipment and/or supplies purchased.

METRO-MIAMI ACTION PLAN

REPORTING REIMBURSEMENT REQUIREMENTS

In order for MMAP to reimburse an entity of any amount of monies, the following documents are required as support for the expenditure report submitted:

- 1) Cover letter on entity Letterhead (All R/I Package)
- 2) MMAP Reimbursement and/or Direct Payment Request Sheet (All R/I Package).
- 3) Payroll Sheets (If reimbursements of salaries are requested).
- 4) Time Sheets (If reimbursements of salaries are requested).
- 5) Copies of Payroll checks (If reimbursements of salaries are requested).
- 6) Expenditures Sheet (If reimbursements of expenditures other than salaries are requested).
 - a. Purchase Orders, Invoices, copy of checks (for purchase of goods)
 - b. Professional Service Agreements, Lease Contracts, etc., and copies of checks (for contractual services)
 - c. Utilities bills, copy of checks (for utilities).
 - d. Insurance policy, invoice, copy of checks (for insurance)

If for accounting or auditing purposes the entity has decided not to submit original invoices, Professional Service Agreements, leases, contracts, utilities bills, insurance policies or insurance invoices, the entity must send a letter certifying that the copy submitted is a true copy of original that is kept in file for accounting and auditing purposes. Staff is to ensure to give the organization a copy of the reporting reimbursement requirements.

At no time will payments be authorized without the proper documentation. Jose Gonzalez will be responsible for processing reimbursements. All attempts will be made to make payments within 15 days from the date of the receipt of proper documentation.

In addition, all contracts approved by the MMAP Trust are to be processed as follows:

Five sets of the agreement are prepared by staff and approved by the executive director or assistant director.

- 2) Agreements forwarded to County Attorney for review.
- 3) After approval by the County Attorney, the agreement is signed by the executive director and authorized representative of the entity.
- 4) The agreement is then filed with the Clerks Office.
- 5) One (1) certified copy of the agreement is given to the funded organization.
- 6) A certified copy is given to the fiscal administration and one is placed in the department file.

Staff is responsible for informing the funded organization representative of these requirements.

METRO-MIAMI ACTION PLAN TRUST

PAYMENT REQUEST REVIEW FORM

PROJECT NAME: _____

PAYMENT REQUEST DATE: _____ REQUEST No. _____

MMAP DIVISION: _____

Contract Manager's Name: _____

Is the Payment Request in compliance?

YES

NO

Comments: _____

Signature: _____

Date: _____

CONTRACT OFFICER

Name: _____

Is the Payment Request in compliance?

YES

NO

Comments: _____

Signature: _____

Date: _____

FISCAL MANAGER

Name: _____

Is the Payment Request in compliance?

YES

NO

Comments: _____

Signature: _____

Date: _____

DOCUMENTARY SURTAX PROGRAM

SUMMARY RESULTS

On Page 2 of the Audit Report, it states that "MMAP used \$7.8 million of the \$14 million in Documentary Stamp Surtax revenue to fund mortgages for first-time home buyers under its Housing Assistance Program" (noted on Table II in the Audit Report).

As a part of the joint MMAP/ MDC Finance Dept. reconciliation and cash flow analysis that began at the end of July of 2007, MMAP received cash, MMAP HAP loan and programmatic data from the Finance Department FAMIS General Ledger, and Journal Entry records. The FAMIS data provided a significant contrast to what is listed in the Audit Report. Funded loan dollars to First-Time Homebuyers under the Homeownership Assistance Program (HAP) totaled \$15,711,610 (see Housing Attachment I - Loans). This chart also provides an overall Cash Analysis of the MMAP Surtax Program funds for the four (fiscal) year audit review period.

Miami-Dade County
Metro-Miami Action Plan Surtax
Program
Cash Flows
Project 700003
FTIFund: SC 1700

Five Year Cash Analysis

	FY01	FY02	FY03	FY04	FY05	FY06	FY07
Beginning Cash Balance	\$1,875,340	\$ 526,225	\$ 1,488,175	\$ 2,620,572	\$ 4,611,331	\$ 7,347,413	\$ 6,542,607
Sources:							
Documentary Surtax	207,137	662,721	1,979,025	2,957,692	4,009,744	3,807,965	2,753,381
Other Revenues	132	1,454	2,640	4,457	18,635	17,556	2,056
Interest Earnings	749	8,524	5,608	5,677	57,367	177,018	114,065
Repayments	6,432	291,323	643,248	887,503	1,004,756	1,062,386	858,534
Total Sources	216,450	1,964,022	2,630,521	3,855,329	5,090,502	5,064,925	3,728,036
Uses:							
Administrative	362,804	380,339	631,221	560,063	636,957	646,864	840,674
Programmatic							
Gap Financing (Saliboat Cove)						1,000,000	
Tornado Relief R/H				53,370			
Total Uses	2,765,565	1,002,072	1,498,125	1,864,570	2,354,420	5,869,731	9,360,817
Net Sources (Uses)	(1,349,115)	961,950	1,132,396	1,990,760	2,736,082	(804,806)	(5,632,781)
Beginning Cash Balance	1,875,340	526,225	1,488,175	2,620,572	4,611,331	7,347,413	6,542,607
Ending Cash Balance	\$526,225	\$ 1,488,175	\$ 2,620,572	\$ 4,611,331	\$ 7,347,413	\$ 6,542,607	\$ 909,826

Change in VP Exp	396	1,805	3,041	(1,119)	(39,018)	32,302	7,741
Change in VP Loan	(25,374)	4,031	15,543	(3,660)	(31,542)	(100,399)	58,571
Total Change in VP	(24,978)	5,836	18,584	(4,779)	(70,560)	(68,097)	66,312
Change in VP Check Change in Wages Payable	(24,978)	5,836	18,584	(4,779)	(70,560)	(68,097)	66,312
			(5,293)	(543)	3,670	(807)	(1,802)
Change in AHIT				(20,594)	17,497	-	-
201 Vouchers Payable	(30,227)	(24,390)	(5,806)	(10,586)	(84,146)	(149,242)	(82,930)
216 Accrued Wages Payable			(5,294)	(5,538)	(2,168)	(2,974)	(4,776)
251 Assets Held in Trust				(20,595)	(3,098)	(3,097)	(3,097)

The original chart (Housing Attachment II) received from the Finance Dept. was only modified to reflect the same four-year period as noted in the Audit Report and to add reflective cumulative totals to that four-year period.

Miami-Dade County
Metro-Miami Action Plan Surtax
Program

Housing Attachment

Cash Flows
Project 700003
FT Fund: SC 1700

Five Year Cash Analysis

	FY01	FY02	FY03	FY04	FY05	FY06	FY07
Beginning Cash Balance	\$1,875,340	\$ 526,225	\$ 1,488,175	\$ 2,620,572	\$ 4,611,331	\$ 7,347,413	\$ 6,542,607
Sources:							
Documentary Surtax	507,137	1,662,721	1,979,025	2,957,692	4,009,744	3,807,965	2,753,381
Other Revenues	132	1,454	2,640	4,457	18,635	17,556	2,056
Interest Earnings	10,749	8,524	5,608	5,677	57,367	177,018	114,065
Repayments	58,432	291,323	643,248	887,503	1,004,756	1,062,386	858,534
Total Sources	1,416,450	1,964,022	2,630,521	3,855,329	5,090,502	5,064,925	3,728,036
Uses:							
Administrative	362,804	380,339	631,221	560,063	636,957	646,864	840,674
Programmatic							
Gap Financing (Sailboat Cove)						1,000,000	
Tornado Relief R/H				53,370			
Total Uses	2,765,565	1,002,072	1,498,125	1,864,570	2,354,420	5,869,731	9,360,817
Net Sources (Uses)	(1,349,115)	961,950	1,132,396	1,990,760	2,736,082	(804,806)	(5,632,781)
Beginning Cash Balance	1,875,340	526,225	1,488,175	2,620,572	4,611,331	7,347,413	6,542,607
Ending Cash Balance	\$526,225	\$ 1,488,175	\$ 2,620,572	\$ 4,611,331	\$ 7,347,413	\$ 6,542,607	\$ 909,826

Change in VP Exp	396	1,805	3,041	(1,119)	(39,018)	32,302	7,741
Change in VP Loan	(25,374)	4,031	15,543	(3,660)	(31,542)	(100,399)	58,571
Total Change in VP	(24,978)	5,836	18,584	(4,779)	(70,560)	(68,097)	66,312
Change in VP Check Change in Wages Payable	(24,978)	5,836	18,584	(4,779)	(70,560)	(68,097)	66,312
Change in AHIT			(5,293)	(543)	3,670	(807)	(1,802)
			(20,594)	17,497	-	-	-
201 Vouchers Payable	(30,227)	(24,390)	(5,806)	(10,586)	(81,146)	(149,242)	(82,930)
216 Accrued Wages Payable			(5,294)	(5,806)	(2,168)	(2,974)	(4,776)
251 Assets Held in Trust				(20,595)	(3,098)	(3,097)	(3,097)

Homeownership Assistance Program - Lottery Initiative

Recommendation

Loans issued with Surtax funds should adhere to Program guidelines, as non-compliance may result in loss of Surtax revenues. Prospectively, special initiatives such as a lottery need to be carefully considered, weighing the benefits of assisting a larger segment of the population or only a limited few. Guidelines for supplemental program benefits should be pre-established to avoid perceptions of preferential treatment. Sufficient lead time and wider range of locations should be provided for distribution of program applications to assure greater community participation.

Trust Response

The Affordable Housing Guidelines referenced in the Audit Report are those guidelines originally instituted by the Miami-Dade Housing Agency (MDHA) Development and Loan Administration Division (DLAD), which is now administered by the Office of Community and Economic Development (OCED). The referenced guidelines do not contain any mention of, make reference to, nor account for in any manner the Metro-Miami Action Plan Homeownership Assistance Program (MMAAP HAP) usage, amount provided or qualification thereof (although the programs are compatible in that a borrower may receive funds from both program for the purchase of a home). Even when Economic Development & Human Services Committee (EDHS) of the Board of County Commissioners (BCC) rendered its recommendations as to the SHIP and Surtax Pro Forma

Attachment A: MDHA Memorandum to BCC from County
Managers Office regarding EDHS Agenda Item No. 12(B)(4) and its

subsequent Policy Recommendation as to the "Distribution of the Documentary Surtax (& SHIP) funds" and Supplemental Report on SHIP and Surtax Pro Forma ~~see attachment B, March 14, 2008 Memorandum to BCC from County Manager's Office regards E.D.H.S. Agenda Item No. 12(A)(2) and Supplemental to Agenda Item No. 12(B)(1)~~ MMAP was not included usage in its determination decision.

MMAP is governed by its own ordinance which allows its Trust Board to establish policy regarding its administrative and programmatic resources. The MMAP HAP (since inception in 1995) has always had its own, separately recognized guidelines by OCED, MDHA, HFA, municipalities within Miami-Dade County that have entitlement funds and thus operate their own assistance programs, state bond and other Florida Housing Finance Corp. (FHFC) assistance programs, and has been an approved "Community Second" program as recognized by Fannie Mae, FHA, and Freddie Mac. Furthermore, the MMAP HAP guidelines do adhere to all applicable use of funds stipulations as stated in the state statute governing the use of Documentary Surtax funds ("use the revenues only to help finance the construction, rehabilitation or purchase of housing for low-income families and moderate-income families...The proceeds of the Surtax shall not be used for rent subsidies or grants..."). The MMAP HAP Lottery Initiative was a special allocation of properly received Surtax funds (per BCC 8% collection) with written, amended guidelines stipulating the amount and terms under which those funds were to be received (with regular HAP guidelines being in full affect except as stated in the Lottery Initiative amended provisions).

As such, all references and findings in the Audit Report are neither a violation nor improper use of funds as noted in the following:

1. The amount of subsidy given did not exceed stated guidelines in any recipient's case
2. The permissible property purchase price limit was not exceeded in any recipient's case
3. Income limits were not exceeded by any recipient
4. All borrowers did contribute at least 1.00% of purchase price. When you take into account all permissible borrower contribution funds (deposits on contracts, items paid outside of closing, and/or POC's and cash from borrower as indicated on the HUD-1) the 1.00% contribution was met in 100% of all Lottery Initiative recipients. (FYI, MDHA allowed for MMAP funds to be a part of their 3% funds from borrower requirement, I'm not sure if OCED still does...)

Housing staff does acknowledge that it did not go back to the Trust Board after determination that borrowers would not be restricted as to the location in which they choose to purchase property. That modification was

made after the public and lender meetings regarding review with additional consideration of their input and so deemed as appropriate by MMAP Staff. Instead, the MMAP HAP guideline requiring only that the single-family property located in Miami-Dade County was used. This oversight is duly noted for future reference.

On February 9, 2006, MMAP held a public meeting, a "Pre-Application Conference." The conference was attended by area lenders, realtors, community based organizations invited by MMAP, and the general public. After the meeting, the lenders requested and received an extended deadline of March 9, 2006 to allow the lenders to recruit and promote this lottery to encourage more eligible applicants to submit applications. Through the deliberation and consideration from those in attendance and other solicited input, Housing staff modified the submission process based on the following:

- The MMAP HAP program has always required that potential applicants be pre-qualified. It avoids tying up limited program dollars on non-mortgage ready applicants, and by some measure establishes an appropriate level of readiness that is necessary to take on the responsibility of homeownership.
- As a matter of fact, staff is not aware of any government funded housing assistance subsidy program (area, region, state or national) that does permit non-prequalified potential applicants to be placed in a pool to receive program dollars.
- In addition, more housing assistance programs work from approved lender list than those that do not, and the MMAP HAP list of approved lenders & mortgage brokers is larger than most.

Deviating from this proven, successful sequence is confusing however, ignoring these items; you still have the following issues:

- The marketing costs alone would have made the initiative cost prohibitive.
- Assuming that money was not an issue (which is never true in the affordable housing program arena), there is not near sufficient MMAP staff to take on the additional burden of screening general public, non-prequalified potential applicants.
- Any allocation of what would be sufficient manpower to handle such a high-volume, short-term influx of file work is cost and labor prohibitive. Additionally, the time and organizational requirements of conducting such an operation is too time-consuming and cost ineffective.

Again, housing staff does acknowledge that it did not go back to the Trust Board this determination was made. This oversight is duly noted for future reference.

Please note that, the Miami-Dade County Commission on Ethics and the Public Trust (COE) did a detailed, complete investigation regarding the Lottery Initiative and found no inappropriate use of funds.

For clarification purposes all 54 of the Consolation Borrowers met the Lottery Initiative guidelines. All 54 received letters stating the availability of the consolation funds. Only 13 of the 54 took advantage of the available funds through file submissions by their selected lenders. Additionally, during Fiscal Year 2006-07, the Lottery Initiative represented only a relatively small portion (\$1,694,850 out of \$8,520,143 or 19.9%) of the MMAP HAP loans funded, and its 20 borrowers were amongst over 700 borrowers that closed using MMAP HAP funds during FY06-07.

Corrective Action

Loans issued to all MMAP HAP recipients, including Lottery Initiative recipients, do adhere to the Florida State Statute with regards to Documentary Surtax guidelines and thereby represent no potential loss or sanction that would affect Surtax revenue. No evidence to the contrary has been provided with regards to use of funds under the MMAP HAP or Lottery Initiative with regards to improper use of funds according to the guidelines of the Florida State Statute.

Recommendations from both Audit & COE pertaining to public notification and notice timelines will be carefully weighed and accounted for, should a similar future endeavor occur. Should a similar initiative and/or additional funding consideration be undertaken in the future, written guidelines regarding availability of case-by-case additional funding will be incorporated into the program initiative guidelines versus a letter sent to qualifying recipients and mention at the public meeting without identifying the specific items for consideration.

MMAP Lottery Initiative Summary Statement

The MMAP Lottery was initiated at a time where in general, the housing market was extremely problematic. For Low-income and Very Low-income borrowers, purchasing a home had become cost prohibitive.

- Sale prices had escalated beyond the qualifying capacity of this borrower income group, including a majority of cases where subsidy program funds were being combined or "layered"
- A majority of real estate purchase contracts were being written with clauses not conducive to this income group (e.g., not subject to appraisal, extremely high deposits required, very short closing timeframes of 20-30 days with deposits being forfeited if not closed by stipulated date)

- There was unwillingness by sellers to make needed/ required repairs or insist on zero dollar repair clauses and/ or not sell house subject to property inspection results

The MMAP Lottery was a way to address these issues and provide a viable source to reach a home buying market segment that had become increasingly discouraged and was financially challenged (i.e., it is better to give a chance to a few than to give not near enough to many).

After the first three or four lottery winners submitted loan files, it was determined that the \$1MM initially allocated would not be sufficient to cover the 75% of purchase price based on property sale prices at that time. Consequently, the MMAP Trust Board allocated an additional \$550,000 to allocate adequate funds for the then eight Lottery Winners. It was also decided at that time that it would ultimately be more beneficial not to move two participants from the "Waiting List" to "Lottery Winners", but to permit case-by-case requests from the \$1.35MM allocated to "Consolation Borrowers" for additional funding based on demonstrated need.

Amongst the overall accomplishments of the Lottery Initiative, this overall strategy enabled the following: seven (7) families of 4 or more household members to purchase homes of adequate size to accommodate their larger families; a single parent having to live separate from her children and in an unsafe living arrangement to get a stable environment for her and her children; a single parent at just above to very-low income (50% Adjusted Gross Income) leveraged the additional funds she needed to realize her homeownership dream; and, a very-low-income, single parent with a disabled child and elderly parents to purchase an adequate size, new home for her extended family. In total twenty (20) families were able to utilize \$1,818,075 in Lottery Initiative dollars to leverage \$4,281,699 in property sale prices. The remaining unused lottery initiative funds were re-allocated back to the general MMAP HAP funds pool to assist those Miami-Dade County families.

A summary of the Lottery Program outcomes regarding awards to recipients and other subsidy program funds leverage is also attached. [REDACTED]

File Documentation

Recommendation

Revamp the filing system, providing for organized sections within each file folder for key documents. A comprehensive loan documentation checklist should also be utilized to ensure required documents have been obtained and filed. Complete the pending post-closing reviews to ensure required documents have been obtained and MMAP HAP funds properly applied.

Trust Response

- MMAP staff did acknowledge to the Audit Staff at the time their file reviews were completed that there was a backlog of integration of Post Closing documents and corresponding review with the main processing files (this was not on all FY2007 issued loans, but this number was significant and did constitute files from the approximately 50%, approximately 275-300 files from the period of April 1, 2007 through Sept. 31, 2007).

Note: While this in no way negates the need to have these documents in the MMAP HAP files, all items noted in the deficiency report (Settlement Statement, Note, Mortgage and Title Insurance) are readily available and maintained by the closing agent...mortgage are available on-line via County Recorder's link...copies of MMAP Commitments are maintained separately in Finance Dept. funding request files until Post Closing review is completed at which point they are placed in the main file...AND as such none of this in any manner jeopardizes the safety of the funds utilized or integrity of the MMAP transaction.

- The five files noted without Qualification Worksheets were all Lottery Initiative files where a Fannie Mae Form 1008 was used for income analysis and notation versus the standard Qualification Worksheet. MMAP staff does acknowledge that this should have been noted in the file accordingly...

Corrective Action

Page 9 of the Audit Report contains an error at the second bullet point where it states "... and 74 issued since 9/30/07 amounting to \$286,254" ...it should read 9/30/07 in order to accurately reflect corresponding data in Table VI.

- "Document Submission Checklist" [REDACTED] has been designed and instituted to improve and provide better file organization regarding the order of documents for inclusion and subsequent review. This started with the MMAP HAP re-opening of funds reservations and file submissions in April 2008
- Pending Post Closing documents have since been placed in corresponding numbered files
- Post Closing reviews have subsequently been completed with discrepancies and/ or deficiencies completed or are being addressed
- The filing system and file (room) storage system are being revamped and re-organized with completion expected by the end of the first quarter of FY2009
- Procedures Manuals are being prepared to establish flow and written procedures for all operation aspects of the MMAP Homeownership

Assistance Program. Completion is expected by the end of the first quarter of FY 2009.

Account Reconciliation

Recommendation

Discrepancies noted should be researched and appropriate corrective actions taken. Prospectively, reconciliations of Access and FAMIS should be performed at least annually and differences promptly resolved.

Corrective Action

A reconciliation project began at the end of July 2007 between MMAP and corresponding Finance Department staff as both departments agreed that a full reconciliation between MMAP's Access tracking system and FAMIS would take place. Initial review that has begun by comparing FAMIS records to Access records indicated that there were 5,035 files on the download of all Access records into an Excel spreadsheet as of July 16, 2007, which was then emailed to the Finance Department on July 20, 2007 for initial analysis and determination of discrepancies.

This initial review reflected (approximately) 159 files with a corresponding net out-of-balance amount of \$810,326.09. First, errors regarding incorrect input that were easily identifiable were corrected by whichever department the error corresponded to, then files and records were pulled by both departments to research and establish the source of the discrepancy or those errors. Clarifying documentation was noted, as applicable on follow-up reconciliation spreadsheets, and a significant number of those items have been corrected. Through the undertaking of this needed reconciliation, measures on both sides were determined and implemented to better understand and prevent the types of posting and tracking errors made by both sides.

As of February 2008, the number of files with discrepancies still pending additional research and resolution was about 36, with a corresponding net discrepancy amount reduced to \$55,493.51. A number of posting corrections are still pending and the reconciliation of the remaining items as well as a reconciliation of Access to FAMIS records has been re-established with the assignment of a new Finance Department Liaison (after a period of ~ 4 months, where a liaison was not available to continue reconciliation tasks). This will continue until all significant items and discrepancies are resolved.

File Tracking & Reporting

Reports and processes have been established to now track and enable us to reconcile closed loan postings with FAMIS and MMAP. MMAP has

made modification in its canceled loans and payoff reports to reconcile those files where submission to the Finance Department, and thus entry into FAMIS occurs (please see "Notes" below regarding "Payoff" and "Canceled" loans in Access for further information). This will be performed on a quarterly basis (beginning with FY 2008).

NOTES:

- The Access database is the sole historical tracking system and mechanism for data entry for MMAP HAP. As such, it is not possible to delete any transactional dollar amount or record without losing all system tracking for that file. It does have categorical capacity that list loan status.
- When a loan is paid off in FAMIS, the balance is zeroed out. In Access, it must reflect the payoff amount in order to know what that amount is. As such, it cannot be zeroed out, nor may it be deleted and still maintain the transaction amount in the system. In that regard, the dollar figures reflected in FAMIS versus access will never be identical for transactions that are zeroed out in FAMIS that can only be categorized in Access.
- Only via download into an Excel spreadsheet can a FAMIS similar zeroing out affect be accomplished... This action can be taken for reconciliation and/ or audit purposes if this is determined to be a needed alternative action.
- An Access system notation will need to be devised to differentiate files that are canceled prior to being sent to the Finance Department for entry and funding (i.e., during the file documentation review process), versus files that are canceled after the funding request and FAMIS entry is made (i.e., funded, but file did not close or did not close using MMAP HAP funds). Both require entry and file maintenance, but only files where funds were requested then canceled create a FAMIS record.

MMAP HAP Matured Loans process (Eligible To Be Forgiven)

In deliberation and determination with both the Finance Dept. and CAO, there is already a process that currently occurs and is occurring regarding loans that have met the 10-year MMAP loan term and are thereby eligible for forgiveness.

- File pulled and transaction record researched (this may include verification in County records when appropriate)
- Letter and Affidavit sent to borrower **(see attachments)**
- Returned Affidavit and recording fee received from borrower... Satisfaction executed and sent to Recorder's Office
- Recorded Satisfaction received from County recorder's office

Note: Not until all these above items occur may the Access file category classification be changed to "Forgiven")

- Borrower and file # noted for forgiveness approval by Trust Board
- Recorded Satisfaction sent to borrower
- Periodic approval by Trust Board granted
- Posted FAMIS entry to be matched up with Access with comment to be entered

Finance Dept. Requirements

- Trust Board MOA (Memorandum of Approval) listing the loans that executed Affidavits and recorded Satisfaction of Mortgage have been received along with the corresponding ballet
- Supporting documents (Satisfaction & Affidavit)
- Completed Journal Entry Sheet for processing & posting in FAMIS

Should a letter be returned or some other correspondence or communication occur that indicates that a borrower may not still reside at the property address or in fact the property was sold, then the following steps are or are to be taken...

- Determine what the issue is... verify MMAP file against MDC Recorder's Office records regarding original purchase by borrower...
- Check County records for current ownership info and applicable details
- If refinance or sale of property has occurred, determine whether transaction date is before or after 10-year mortgage term
- If applicable, determine role, involvement and potential liability of involved party/ parties (buyer, seller, title company/closing agent)
- Notify pertinent person/ party of pending action(s) for resolution
- Refer to appropriate agency/ person/ County Department for action, as applicable

Note: Until appropriate determination or resolution is made, the lien remains in place.

Salaries and Benefits

Recommendation

MMAP should substantiate the indirect payroll charges or reimburse the Surtax program accordingly.

Trust Response

It was MMAP's understanding that a percentage of the budget may be assigned to indirect costs of a specific department's program. MMAP's

budgets have been historically approved with the allocation of indirect costs to specific programs in this manner.

M-CAR Consultants & Associates, Inc.

Recommendation

- Contracts for services to be rendered should be competitively bid to afford all qualified providers an equal opportunity and avoid perceptions of favoritism in their selection.
- Services should not be paid without required supporting documentation. Portions of contract payments to M-Car (\$114,510) or SFBR (\$62,908) that are not adequately supported should be disallowed and Program funds reimbursed. Other payments totaling \$21,279 should also be reimbursed unless documentation is provided to substantiate Program eligibility.
- Coordinate with other County Departments performing required services, rather than hiring consultants to perform tasks that result in duplicative efforts.

Trust Response

On January 15, 2003, MMAP staff conducted a Request for Qualification process seeking qualification submittals from qualified individuals, partnerships, corporations and/or any combination thereof to perform real estate development and construction management services and administer Homeownership Assistance Program services.

On January 22, 2003, MMAP Trust received one submittal from M-CAR Consultants & Associates, Inc. On March 19, 2003, the MMAP Trust approved contracts in the amount of \$50,000.00 from the Documentary Surtax funds for the Request for Qualifications (RFQ) for Homeownership Assistance Consulting Services and Real Estate Development Consulting Services to M-CAR Consultant and Associates Inc.

On March 27, 2003, Liberty City and surrounding communities were affected by the wind and rain resulting from a devastating tornado. As a result, 14 homes were destroyed and more than 50 homes suffered damage. In response to this community crisis, former Commissioner Carey-Shuler implemented a recovery plan.

On April 16, 2003, MMAP Trust granted approval to allocate surtax funds in the amount of \$600,000.00 to implement an emergency response initiative (ERI) to rehabilitate homes damaged by the tornado. On September 17, 2003, MMAP Trust granted approval to allocate funds from

the ERI budget of \$600,000 to designate \$70,000 for administrative and rehab inspection costs.

The Trust also granted authorization to amend the contract agreement with M-CAR Consultants to expand its scope of services to include the coordination, administration and rehab inspection of ERI and increase the contract by \$70,000. M-CAR Consultant and MMAP staff worked in collaboration with several organizations to develop program guidelines and procedures and loan documents to provide loans for rehabilitating properties damaged by the tornado. The objective was not to duplicate efforts and whenever possible to use other initiatives already in place.

M-CAR Consultants and Associates, Inc. along with MMAP Homeownership Assistance Program staff formed a partnership with a Tornado Rebuild Committee spearheaded by a Miami-Dade County Commissioner. The purpose of the committee was to implement a recovery plan for the demolition and rebuilding of 14 homes completely destroyed by the tornado. The total cost of the project has been estimated at approximately \$2 million. A funding pool comprised of the following county resources was established: OCED/COBG (\$500,000); MDHA Single Family Rehab Loan (\$120,000). MMAP contributed \$350,000 to the pool. MMAP's funds would be used to provide loan assistance in the amount of \$25,000 to each of the 14 individual property owners to assist in the rebuilding of the homes as either gap or permanent financing. Brownsville CDC was designated as the coordinating entity for this effort.

MMAP Trust contribution in the amount of \$350,000 for the demolition and rebuilding of the 14 homes was not allocated, due to the CDC's inability to obtain sufficient financing to move the project forward.

The remaining \$350,000 was earmarked for rehab loans, M-CAR Consultants and Associates, Inc., promoted the rehab program by mailing out ERI program descriptions to more than 300 tornado victims, identified by Miami-Dade County Building & Zoning Department and establishing relationships with other rehab lenders already present in the area. During the recruitment and intake process, loan applications and long term servicing activities were completed on 16 home owners, M-CAR Consultants continued to perform the tasks associated with processing the 16 applications. Four rehab loans were closed, resulting in a total of \$36,593.75 in MMAP Hap mortgages.

Subsequent to attending several meetings with the Tornado Rebuild Committee, M-CAR consultants recommended the following to make the program more effective for MMAP:

- M-CAR on behalf of MMAP would closely approve and monitor the loan closings to ensure it meets program requirements
- Once loans are closed to accept CAA's inspection reports once construction was underway for the homes and completion instead of hiring a MMAP inspector
- To facilitate funding to the contractors and stream line the county (MMAP & MDHA) payment
- To facilitate funding to the contractors and streamline the county (MMAP & MDHA) payment process, to escrow the full loan amount at time of loan closing, either with the closing agent or MDHA-DLAD. This would require only one payment request through Finance Dept.

The supporting documentation of M-CAR and SFBR is on file. With the payments of these consultants, strict guidelines were followed. For M-CAR every disbursement of funds only after all documentation supporting expenditures was submitted. Attached are copies of the payments for your perusal (see **attachment 1**).

Grants to Others

Recommendation

The unallowable payments totaling \$53,755 should be reimbursed to the Program.

Trust Response

As a part of MMAP Homeownership Assistance Program public awareness activities, MMAP HAP staff participated at various events throughout Miami Dade County to increase the percentage of low to moderate income homebuyers who utilize MMAP down payment and closing costs assistance program. MMAP HAP staff provided an information table at Josie's Passover and Good Friday Service. MMAP HAP staff disseminated information to over fifty (50) attendees.

In 2007, the MMAP Trust commissioned the FIU Metropolitan Center to develop a disparity study to evaluate the actual status of the African American community in comparison with studies done in the past. The Surtax Status permits the use of Surtax funds for administrative cost associated with developing affordable housing initiatives. The areas of study were: Housing, economic development, education, health and social justice. In the case of the Housing Program, the study provided statistics and data for future Housing Program development. The cost of the study was divided among all the MMAP programs and a portion of the payment was allocated to Housing.

Temporary Help

Recommendation

The Surtax Program Fund should be reimbursed for the questioned charges, unless MMAP can substantiate them. Further, to assure compliance with County Ordinance 01-01, MMAP should not contract with any agency

Trust Response

The standard procurement process was followed. These companies were included in the Miami-Dade County approved Vendor List. They were selected to perform the required job tasks referred in the Audit Report. The Board was not solicited for input or reply, and therefore no influence (direct or indirect) was made in the decision to select her company or one company versus another. Skill set of available of the temporary employee was the primary consideration in the selection process.

Once it was determined that the Board Member in question was a principal owner in one of the companies on the approved vendor procurement list, the use of services from that company were terminated.

Other Contractual Services and Operational Costs

Recommendation

The \$58,759 charged against Surtax funds should be reimbursed to the Program, unless MMAP officials can substantiate the charges as allowable under the Affordable Housing Guidelines. Further, MMAP should refrain from making final payment to vendors until work products have been delivered.

Trust Response

The \$58,759.00 is comprised of a \$2,500.00 and \$56,759.00 in advertising, furniture, and equipment. The \$2,500.00 was an input error that will be corrected. The \$56,759.00 was administrative expenditures for equipment (computers, computer peripherals, desks, filing cabinets, and advertising) needed by the housing staff to fulfill their duties.

Prospectively, MMAP will substantiate the charges as allowable under the affordable Housing guidelines where staff cannot substantiate then charges will be charged to the appropriate division.

ECONOMIC DEVELOPMENT

Florida Memorial University, Inc.

Recommendation

MMAP should ensure that required progress and final reports are provided accompanied by adequate support to assess program effectiveness and compliance with contract requirements. Prospectively, more formal tracking of programmatic success should be required of FMU, including business/job creation and expansion statistics to assure program effectiveness and achievement of economic development goals. Recapture monies provided for salaries of program administrators unless such are fully substantiated.

Trust Response

The file was documented properly prior to payments to the provider. The salaries listed under the program were accompanied by checks from the university along with payroll documentation. AMS's suggestion as to the prospective activities to be incorporated by MMAP will be included where practicable. It should be noted that the Miami-Dade Finance Department has insisted upon the required documentation prior to issuing any payments. Attached ~~see attachments~~ the provides reporting on the use of monies from FMU. The attachments include final reports, invoices, payroll checks, timesheets, etc., for the FMU Entrepreneurial Institute during the contract periods indicated in page 16 of the Audit Report. The final report provides an overall assessment of the fiscal year.

Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

Miami-Dade Chamber of Commerce

Recommendation

If adequate supporting documentation cannot be obtained to substantiate accomplishments, then Program funds should be recaptured from the grantee. Prospectively, do not release funds until services have been substantiated.

Trust Response

This program was one of the best documented. The procedure under the agreement was to advance the contractor 33% percent of the proceeds under the agreement; upon documentation of expenditure the contractor

would be advanced an additional amount in accordance with the documentation. Attached are copies of the quarterly reports for perusal (see **attachment H**).

Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

Carrie Meek Foundation, Inc.

Recommendation

The Foundation should be requested to provide documentation substantiating results of joint development initiatives pursuant to the collaborative agreement. If support is not obtained, then MMAP should recapture the \$85,000. In any event, the 8% Local Business Tax Receipts should not have been used for that purpose, and that amount should be reimbursed to the Program.

Trust Response

Pursuant to AMS's observations MMAP requested the Foundation to provide documentation to substantiate the results of the joint development initiative pursuant to the collaborative agreement. The Foundation provided a prospectus on a project entitled "Villa Patricia Phase I". This Project is located at 7831 NE 2nd Ave. It is currently under construction (circa 2008). It is anticipated that the development will be ready for occupancy in the very near future. Unfortunately the investment cost for MMAP at the beginning of the project was prohibited.

Karym Ventures

Recommendation

Karym Ventures should be required to provide a full accounting of expenditures, including cancelled checks. If these records are not provided then the Company should be asked to repay the funds. At any rate, the use of the Local Business Tax Receipts for this specific business venture does not appear to comply with the Beacon Council Agreement, and thus \$75,000 should be recaptured. If Café Soul is open for business, the appropriate Business licenses should be obtained and posted for inspection

Response

Karym Ventures provided support for expenditures in excess of the total \$75,000.00 grant. Please see (**attachment**) listing of expenditures. Staff agrees that the appropriate business licenses should be obtained and posted for inspection for Café Soul, if the restaurant is in operation. It is

creditworthiness, inventory of workplace housing, and financial tips. Attached is a copy of information regarding the Empowerment Weekend Conference [redacted]. Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

Friends of MLK Recommendation

Recommendation

MMAP should require that the organization substantiate use of the funds or repay them. Moreover, MMAP should replenish Program funds for inappropriate use of the 8% Business Tax Receipts.

Trust Response

This contract and its principals are currently involved in a criminal proceeding. It is hoped that one of the outcomes will be the replenishment of program funds if they were used in a manner contrary to the intent of the agreement.

Consulting Services (ED)

Recommendation

MMAP should return the \$38,113 to the Local Business Tax Receipts Fund, as the disbursement was not an eligible use of the Program proceeds.

Trust Response

The \$38,113.00 was disbursed to further a County objective. The TECO Chiller Plant study conducted by the Metropolitan Center was to use the TECO plant as an economic engine for facilitating the social and economic revitalization of Overtown. The partnership also included issues of governance, management, resource allocation, and distribution of resources. Therefore, the proposed study:

- Undertook a best practice analysis of successful private/public partnerships between community based organizations and local government;
- Undertook a comparative analysis of governing structure in private/public partnerships;
- Gauge attitudes of Overtown leaders regarding the governance of partnership; and
- Gauge preferences of Overtown residents regarding the allocation of resources generated by the partnership.

MMAP's understanding from the contractor that in order to begin operations, Karym would finish refurbishing the housing unit on the top floor, add amenities to the building and complete the Yellow Moon Salon and Day Spa prior to completion of the restaurant. These activities were completed. Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

Opa-Locka Flightline LLC.

Recommendation

MMAP should request documentation supporting use of the \$100,000 advanced. IF OLF does not provide documentation, then funds should be repaid. Prospectively, MMAP should ensure that required documentation and periodic/final reports are submitted by grantees in a timely manner. MMAP must also reimburse the 8% Business Tax Receipts Fund, as the disbursement is not an eligible Program expenditure.

Trust Response

The expenditure of the \$100,000.00 was documented by the contractor. MMAP received copies of the invoices and bills of lading for the equipment purchased with the initial \$50,000.00. AMS was provided a photograph of the equipment. Additionally, staff visited the site and observed the equipment. The additional \$50,000.00 was funded for the purposes of advertising and promoting the organization. Although the files were not fully documented at the time AMS was in MMAP's offices, an accounting of the expenditures was subsequently forwarded (redacted). Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

CBG of Miami-Dade County and Vicinity, Inc.

Recommendation

MMAP should request that CBG substantiate use of the \$25,000 granted or repay the amount. In any case, the \$25,000 should be returned to the Local Business Tax Receipts Fund, as the disbursement was not an eligible use of Program proceeds.

Trust Response

On several occasions, MMAP staff requested information regarding the use of funds as per the agreement. The Empowerment Weekend Conference was held May 19th and 20th, 2006. The Conference was a community covenant empowerment conference for economic development. The conference consisted of reverse mortgage specialist,

The study had four phases that consisted of:

- Phase 1. General information such as demographic trends, economic indicators, and housing trends
- Phase 2. Best practices analysis
- Phase 3. Organizational Analysis
- Phase 4. Overtown Needs Analysis that was data collected from community leaders focus groups and a community survey

Overtown Revitalization Grant

Thanks to the efforts of former Congresswoman Carrie P. Meek, the MMAP Trust was able to secure a \$2.4 million dedicated source of funding and provided the businesses below with resources to serve the residents in Overtown. During a time of continued budget cuts, this timely stream of revenue created an opportunity to infuse vitality into this often forgotten neighborhood.

BCJ Development, LLC

Recommendation

BCJ should properly substantiate use of the funds or repay the \$175,000. MMAP should assure that grantees are monitored for compliance with the scope of services. Moreover, amounts should be disbursed on a reimbursement basis to assure proper use.

Trust Response

This matter has been submitted to the Office of Inspector General. Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

Scala Construction Supplies, LLC

Recommendation

Funds should not have been released until the entity met established criteria. Scala should substantiate use of the funds or repay the \$175,000.

Trust Response

Scala produced a document from an engineering firm that indicated that testing on his product (hurricane windows) was proceeding and that there was every reason to believe the test would be successful. Through conversations with Scala and the Landlord (St John's Baptist church), it was determined that Scala was operating out of an Overtown office. Staff

will follow-up with Scala to substantiate the use of the funds. Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

The Black Archives, History and Research Foundation of South Florida, Inc.

Recommendation

Budget modifications should be formally approved. MMAP staff must also ensure that quarterly monitoring reports are submitted by the grantee and evaluated to assure compliance with grant requirements.

Trust Response

The Lyric Theatre Welcome Center was built, and hosts a number of activities that the MMAP Trust supports. MMAP Trust was apprised of the budget modification by the Black Archives and it should be formally approved. These items will be forwarded to the Board in the near future. This location has been designated an historical site.

Two Guys Restaurant, Inc.

Recommendation

MMAP should enforce documentation requirements for expense reimbursements and periodic progress reports, as stipulated in contract agreement.

Trust Response

The owner of the restaurant is deceased. The amount of the grant was insufficient to purchase any improved property in Overtown. The Owner was attempting to establish a new location for the business. The location was in fact established prior to the Owner's demise. The Lease agreement was executed and lease payments were made to the landlord. The additional expenditure was two fold 1) the Owner justified the initial sixteen thousand enabling him to the additional advance; 2) additionally, he relocated and was experiencing cash flow difficulties. Staff will write contract language that more closely mirrors the unique circumstances of the grant recipient. Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

MMAP ADMINISTRATION

Black HistoryTours.com

Recommendation

Support for 2004 and 2005 expenditures should be obtained or amounts reimbursed to the Teen Court (\$25,528) and general fund (\$21,448), respectively. If funding for this annual activity is to be continued, MMAP should retain on file a list of participants to substantiate amount billed for group count. Students should also be required to submit a field trip report or otherwise be tested on this learning experience, with the MLK Academy providing a report to MMAP on the results of this program.

Trust Response

These records were housed at the MLK Leadership Academy and not on file at the MMAP Office. Students attending the tour receive Kingian Nonviolence training throughout the year and are tested on their progress and comprehension of the methodology. This is one of many criteria that steer the selection process to determine if a student will be selected to attend the tour. Prospectively, MMAP will house the list of participants at the MMAP headquarters (see attachment).

Belafonte Tacolcy Center, Inc.

Recommendation

BTC should be required to provide proof of training conducted and students serviced within the term of the contract, or otherwise return awarded funds to MMAP.

Response

The Belafonte Tacolcy Center, Inc. is a well established and long standing member of the black community. The center has provided youth oriented programs in the community for many years. You will find copies of the quarterly reports attached (see Attachment VI). Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

Overtown Youth Center

If the award was meant to be a grant, then measurable goals should have been established and payment released upon completion of said goals, rather than upon submission of an invoice. Contract drafting and monitoring controls need to be enhanced.

Trust Response

This was a grant with a defined scope of work. The reference to a donation on the invoice was an inadvertent misunderstanding by the grantee. AMS's comments regarding alternative payment provisions are taken under advisement and will be implemented prospectively. Please note the attached quarterly reports. We will request the required documentation.

Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

Other Grants**Recommendation**

MMAP should obtain supporting documentation from the above-name recipients to substantiate propriety of funds disbursed, or otherwise reimburse costs incurred to the general fund.

Trust Response

- City of Miami was paid directly for the following events:
 - **"Peace in The Hood"** was paid the amount of \$14,574.50 for solid waste and police services. This event is named in honor of slain, well-known as DJ Uncle Al. The festival takes a stand on issues related to education, health, nonviolence, music, AIDS awareness, and provides community outreach for today's youth. This street festival in Liberty City attracts over 80,000 persons and has an excellent report annually of no major incidents by the City of Miami Police Department.
 - **"July Family Festival"** sponsorship in the amount of \$1,000.00. This is a 4th of July Community Festival in the City of Miami.
 - **"Juneteenth Celebration"** sponsorship in the amount of \$4,500.00. This is a day where honor and respect in memory of the sufferings that occurred because of slavery. It is the day that African American's commit to each other the needed support as family, friends, and co-workers. It is also a day in which coalitions are built to enhance African American economics. This festival was held at the Ninth Street Pedestrian Mall in Overtown.
- **City of Miami for intergovernmental agreement** in the amount of **\$37,500.00** for support staff to MMAP from the City of Miami.

- **Graves Ventures, LLC/Black Enterprise Golf and Tennis Networking Weekend** for sponsorship in the amount of **\$21,250.00**. The Black Enterprise Golf and Tennis Networking Weekend is a collaborative between, Miami-Dade County, the Beacon Council, the Visitors and Convention Bureau of Greater Miami. MMAP was invited to promote business relationships with Black business professionals visiting Miami from around the country.
- **Martin Luther King Economic Development Corporation (MLK EDC)** sponsorship in the amount of **\$14,489.00**. This is an event in memory of Martin Luther King, Jr.'s birthday.
- **Albert Leroy Moss Foundation** sponsorship in the amount of **\$11,500.00** – payment as a sponsor for the celebration of "Peace in the Hood".

NOTE 1: Our records show a difference of **\$8,149.50**. We have researched the FAMIS system, as well as, Ballots/Minutes recorded at meetings related to this time frame and we can not find this additional \$8,149.50. We will collaborate with management to further research.

NOTE 2: See attachment N for "Other Grants" supporting documents.

Becker & Poliakoff, P.A.

Recommendation

Greater care must be exercised to assure that agreements executed are properly dated and completed accurately reflecting accounts contracted over the specified period in compliance with terms and conditions approved by MMAP board. MMAP staff should also ensure that required activity reports are submitted and retained, evidencing services provided and status of legislative issues being monitored by contracted legal counsel. Support documentation for amounts paid should be obtained or amounts recaptured, to the funding sources.

Trust Response

MMAP will enhance its monitoring activities to ensure that required reports are submitted and retained when contracting with a consultant. This information will document provided services. In addition, MMAP will monitor the work performed, assess progress made towards meeting objectives, review fiscal activity, identify problems, and recommend corrective action.

In an effort to ensure that MMAP contract agreements are properly completed the following action steps will be taken:

- Staff will clearly document communications between consultant and MMAP office

- Staff will clearly document contract amounts over specified contract period
- Staff will monitor consultants work
- Monitoring reports describe the work performed and outcomes. The report will include fiscal information for the monitoring period. If needed staff will provide corrective action steps to the MMAP Trust concerning the consultant.
- MMAP will ensure that the retained services by consultant reflect the services of legislative issues. This information will be reported and maintained by the contract administrator

❖ **WHAT FORM EXISTS FOR MONITORING RFP PROCESS**

Global USA, Inc.

Recommendation

MMAP should ensure that appropriated detailed documentation is provided by contractors to substantiate services performed and fees paid. Obtain adequate supporting documentation for amounts paid or reimburse \$60,000.00 to the General Fund.

Response

Please see attached response for Becker & Poliakoff, P.A.

J. Watson & Company

Recommendation

MMAP Staff should ensure that standard affidavits and other required documents integral to contracts between Miami-Dade County and service providers are properly completed and current prior to contract execution. Activity reports should be timely submitted by service providers.

Trust Response

The Consultant worked closely with MMAP Staff. The affidavits, though previously submitted, were current in so far as nothing had changed with regard to the consultant's status as it relates to the affidavits. Many of the services provided were done in conjunction with staff. AMS's note regarding the completeness and sufficient detail of reporting requirements are taken under advisement and will be implemented prospectively. Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

- Staff will clearly document contract amounts over specified contract period
- Staff will monitor consultants work
- Monitoring reports describe the work performed and outcomes. The report will include fiscal information for the monitoring period. If needed staff will provide corrective action steps to the MMAP Trust concerning the consultant.
- MMAP will ensure that the retained services by consultant reflect the services of legislative issues. This information will be reported and maintained by the contract administrator

❖ **WHAT FORM EXISTS FOR MONITORING RFP PROCESS**

Global USA, Inc.

Recommendation

MMAP should ensure that appropriated detailed documentation is provided by contractors to substantiate services performed and fees paid. Obtain adequate supporting documentation for amounts paid or reimburse \$60,000.00 to the General Fund.

Response

Please see above response for Blaker & Potlako, S.A.

J. Watson & Company

Recommendation

MMAP staff should ensure that standard affidavits and other required documents integral to contracts between Miami-Dade County and service providers are properly completed and current prior to contract execution. Activity reports should be timely submitted by service providers.

Trust Response

The Consultant worked closely with MMAP Staff. The affidavits, though previously submitted, were current in so far as nothing had changed with regard to the consultant's status as it relates to the affidavits. Many of the services provided were done in conjunction with staff. AMS's note regarding the completeness and sufficient detail of reporting requirements are taken under advisement and will be implemented prospectively. Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

TEEN COURT PROGRAM

Teen Police Academy, Inc.

Recommendation

Prospectively, MMAP should require attendance records and other statistics that would enable them to assess overall Program effectiveness.

Trust Response

Prospectively, MMAP will require attendance records and other statistics that would enable the overall program effectiveness to be assessed. Contract monitoring guidelines will be used to ensure program effectiveness. Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

Florida MLK, Jr., Institute for Nonviolence, Inc.

Recommendation

To assure compliance with County Ordinance 01-01 and avoid appearance of conflict of interest, services should not be procured from entities with ties to Board Members. MMAP staff should also ensure that adequate support is obtained and retained in file for services rendered and amounts reimbursed or otherwise refund amounts disbursed to the funding source.

Trust Response

Attached is the opinion MMAP received from the Ethics Commission sanctioning the contractual agreement between the Institute and the MMAP Trust Board. We have received the required program documentation as required per the agreement (see [REDACTED]).

Florida International University

Recommendation

MMAP should ensure that the reports detailing program results are submitted by contractors in compliance with agreement requirements and retained in file. Missing reports for the tutoring program should be requested and obtain or other funds returned for non-compliance.

Trust Response

MMAP records are incomplete as to whether the agreed requirements were met for the tutoring program for Teen Court participants. However, staff was there for every session and the tutoring program did meet the

agreed requirements. Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

Lease Payments

Recommendation

Prospectively, MMAP should ensure that formal lease agreements are executed for leases properties, particularly when there is a change in landlords, to define rights and responsibilities of all parties.

Trust Response

MMAP will execute all leases in writing.

DRAFT

MLK, JR., LEADERSHIP ACADEMY

Martin Luther King, Jr., Leadership Academy

Recommendation

MMAP should assure that invoices supporting all payments are retained in file. Unless otherwise agreed by MMAP in advance, seek reimbursement of the \$1,480 that should be paid by the lesser.

Trust Response

MMAP agreed to be responsible for these damages. The MMAP staff arrived at this conclusion after a thorough inspection of the facility. In the future, MMAP will agree in writing prior to paying for these expenditures.

Tola Thompson

Recommendation

MMAP should ensure that all services are competitively procured to avoid perceptions of favoritism agreements with service providers should be in writing, including deliverables and timetables, to assure rights and responsibilities of all parties are clearly defined. Retain agreements in file and ensure that supporting documentation is obtained, including activity or other required reports, to support expenditures incurred and services provided.

Trust Response

In the future MMAP will obtain services through a competitive procurement process. Selection will be evaluated by experts in the perspective field.

Marriott International, Inc.

Recommendation

Overnight retreats at offsite locations should be discouraged when alternatives County facilities could provide a viable venue for strategic planning efforts, especially when funding for Program services is limited.

Trust Response

MMAP is committed to optimizing the use of Miami-Dade County assets to ensure the provision of cost effective and efficient services. Government-owned facilities are amongst a number of assets provided to Miami-Dade County departments such as MMAP.

When MMAP plans an event preference will be given to the use of government-owned training/conference facilities in the first instance, where it is economical feasible to do so. Events in this instance are considered similar, but not limited to, workshops, retreats, conferences, meetings, and community forums, or in-house activities that may or may not require overnight accommodation. In making a decision about appropriate venues, MMAP will explore centralized locations to reduce the need for overnight accommodations whenever possible.

MMAP will ensure that all attempts are made to explore suitable government-owned accommodations in regard to any proposed activity and that facilities are appropriate for the learning needs of staff and/or public. Neighborhood centers, community colleges, and other facilities designated by the Miami-Dade County General Services Administration will be explored. The use of non-government facilities should only be considered when the above mentioned criteria cannot be met.

A note to explain the reasons behind the decision when government-owned facilities are not used will be kept in the file of the particular event. MMAP will ensure when a recommendation is made to use a non-government owned facility; the reasons for that decision are included in the approval process.

Payments to Non-Profit Organizations and other Payees

Recommendation

MMAP staff should ensure that all disbursements are adequately supported and, in the case of donations, properly approved by the MMAP Board, including documentation of mission relevance. When donations fund participation at specific events, event program evidencing MMAP sponsorship or advertising should be maintained in file. Payments to organization outside MMAP's mission should be avoided to prevent perception of favoritism, unless objective standards are formulated and adhered to.

Trust Response

MMAP will continue to abide by the County's policy that prohibits the payment of tables or tickets for events where food or drinks are served. No donations will be made without the approval of the MMAP Board and all documentation pertaining to it will be kept on file.

Missing Files**Recommendation**

MMAP should obtain supporting documentation from the above-named recipients to substantiate propriety of funds disbursed, or otherwise reimburse costs incurred to the funding source.

Response

Documentation from the Alternative Program, Inc. is on file and the monies were properly disbursed pursuant to the agreement. Prospectively, MMAP will more closely monitor its contracts pursuant to the attached monitoring procedure. Additionally, all contracts will be executed on a cost reimbursement basis.

DRAFT



TRUST INFORMATION ITEM

ITEM II.A.1.A

SAILBOAT COVE UPDATE



EXECUTIVE DIRECTOR'S INFORMATION ITEM

Date: September 2, 2008
To: MMAP Trust Members
From: John Dixon, Interim Executive Director
Subject: Sailboat Cove MMAP Mortgage Update

In preparation of the maturity of the Sailboat Cove Development Loan that will mature again at the end of September 2008, and that based on current project status, there will not be sufficient closings to make a balloon MMAP payment at maturity (the Mercantile/ CommerceBank first mortgage is still in repayment).

This memorandum summarizes recent activities.

- Fortex Construction provided an update site analysis and closing production report for The Mirage at Sailboat Cove project as of July 31, 2008 (see attached...a Sales Report with a breakdown of Phase I units is also included).
- The loan extension fee (\$5,000) was paid
- Quarterly interest payments currently due and payable totaling \$30,000 have now been received. \$15,000 has been posted in FAMIS, the other \$15,000 was just received late last week. Arrangement were made to have interest due payments paid in conjunction with file closings and were noted on the HUD-1 of applicable files.
- MMAP Staff met with the County Attorneys to discuss situation and review options. A complete loan re-structuring was suggested with a number of noted items need to assess most viable options for consideration
- Item updates and/ or documents needed from Fortex Construction on Sailboat Cove were requested and include:
 - A copy of the terms of the 1st Mortgage with Mercantile/ Commerce Bank (i.e., the initial and any other pertinent agreements, the (1st Mortgage) Note and all extensions, modification and/ or amendments that have been subsequently executed)
 - A copy of the Realtor Participation Agreement that you have (eluded to 4% Commission for borrowers signing contracts w/o subsidy financing and 2% for borrowers signing contracts with subsidy financing involved...)
 - Written updated timeline for Build-Out of remaining Phases (Phase II, Part I, Phase II, Part II and Phase III
 - Updated Site Map for remaining Phases
 - Updated Cash Flow Analysis that corresponds with Build-Out Timeline

- Options for possible consideration regarding terms of a re-structure of the MMAP 2nd mortgage could follow one or more of the following components:
 - A fully amortizing to payoff MMAP 2nd (this is extremely dependent on cash flow analysis)...
 1. Principal & Interest payment and amortization for possible terms of 2, 3 or 5 years...
 2. Same payment terms as #1 with interest rate reductions ranging from one to two percent (1% to 2%)...FYI – Current interest rate is 3 percent (3%)
 - Comparison of possible scenarios involving MMAP 2nd mortgage principal (in its entirety and/ or partially) being repaid via a Restrictive Covenant Buy-down (similar to what OCED does presently)
 - Charge of new Commitment Fee in an amount TBD
 - Forgiveness of some portion of the principal balance based on some (TBD) clause regarding increased affordability
- Upon receipt and review of documents from Fortex Construction, another meeting with the County Attorneys will be scheduled
- Please note that any proposal regarding the re-structure of the MMAP 2nd mortgage would also require advisement and approval/ acknowledgement of the 1st mortgage lender, Mercantile/ CommerceBank (the County Attorneys have agreed to be present at any such required meeting).

THE MIRAGE at Sailboat Cove

Opa-locka, Florida

31 July 2008

To: METRO-MIAMI ACTION PLAN TRUST

From: Jose Perez de Corcho
The MIRAGE at Sailboat Cove

REPORT ON ON-SITE INFRASTRUCTURE

Roads: Phase I complete, Phase II graded and base installed, Phase III subgraded and compacted.

Water Main loop: completed and operational, entire site

Gravity Sanitary Sewer System: completed and operational, entire site

Sanitary Force Main and Pump Station: completed and operational, entire site

Storm Drain System: completed and functional, entire site

Site Lighting System: completed and functional, entire site

Site Power Distribution System: completed and functional, entire site

AT&T Optic Fiber Telephone System: completed and operational, entire site

Direct TV Service: operational in all units

REPORT ON VERTICAL CONSTRUCTION

Phase 1: Eight (8) buildings completed (39 units) and COd

Phase 2: Four (4) buildings are currently under construction (20 units), structures and roof completed, interior framing completed, plumbing/electrical/HVAC rough-in work 85% completed

Community Center and Swimming Pool are in service. Community Center is still being used as a sales office

Phase II permitting process for the remaining buildings in this phase continues

CLOSINGS and UNDER CONTRACT

Closings this period: 3

Closed to date: 23

At OCED underwriting for Surtax subsidy: 16

Under Contract: Phase 2: 15

Respectfully submitted

Jose Perez de Corcho

Operations Office: 14329 NW 17 Path
Opa-locka, Florida 33054
Telephone: 305 599-1295
Telefax: 305 599-2034

THE MIRAGE AT SAILBOAT COVE

8/31/2008

PHASE ONE

Street Address	Building Number	Unit Number	Price	Status	Account	CLIENT	Closing Date
1795 NW 142 Lane	24	1	\$185,000	AVAILABLE		AVAILABLE	
1791 NW 142 Lane	24	2	\$185,000	HFC/HFA	MMAP Pndg	Marthe Aristede/Joseph Gustave	10/5/2007
1787 NW 142 Lane	24	3	\$194,000	CLOSED		Jean Monestine	
1783 NW 142 Lane	24	4	\$185,000	CLOSED	at MMAP	Albernia Hannan	
1779 NW 142 Lane	24	5	\$185,000	CLOSED		Rodrigue Bazile/Nancy Ufile	

Street Address	Building Number	Unit Number	Price	Status	Account	CLIENT	Closing Date
1775 NW 142 Lane	25	1	\$185,000	CLOSED		Innocent Aisca	7/25/2008
1771 NW 142 Lane	25	2	\$229,900	CLOSED		Kimberly Ann Smith	1/10/2008
1767 NW 142 Lane	25	3	\$225,000	CLOSED		Chauncey Gurrier	11/20/2007
1763 NW 142 Lane	25	4	\$220,000	CLOSED		Bonte DeTemps	1/7/2008
1759 NW 142 Lane	25	5	\$185,000	HFC/HFA	at MMAP	Marie Estiverne	

Street Address	Building Number	Unit Number	Price	Status	Account	CLIENT	Closing Date
14292 NW 17 CT	27	1	\$196,500	CLOSED		Michelle D. Edwards	3/7/2008
14288 NW 17 CT	27	2	\$210,000	CLOSED		Octavia Harper	10/25/2007
14284 NW 17 CT	27	3	\$235,000	CLOSED		Valencia Brown	10/31/2007
14280 NW 17 CT	27	4	\$200,000	CLOSED		Annie D. Davis	3/28/2008
14276 NW 17 CT	27	5	\$207,000	CLOSED		Jean Marc Bassette	10/16/2007

Street Address	Building Number	Unit Number	Price	Status	Account	CLIENT	Closing Date
1746 NW 142 Lane	28	1	\$249,900	CLOSED		Janeen White	10/1/2007
1750 NW 142 Lane	28	2	\$185,000	COUNTRYWIDE	at MMAP	Linda Stevens	
1754 NW 142 Lane	28	3	\$185,000	COLONIAL		Constance Hunter	
1758 NW 142 Lane	28	4	\$245,000	CLOSED		Ibimina Irsonga	10/16/2007

Street Address	Building Number	Unit Number	Price	Status	Account	CLIENT	Closing Date
1762 NW 142 Lane	29	1	\$209,000	CLOSED		Ellie Bellune	10/3/2007
1766 NW 142 Lane	29	2	\$185,000	AVAILABLE		AVAILABLE	

10/17/2007

1770 NW 142 Lane	29	3	\$225,000	CLOSED	Solomon Consuegra
1774 NW 142 Lane	29	4	\$185,000	COLONIAL	Clara Jones
1778 NW 142 Lane	29	5	\$185,000	COLONIAL	(MOSES) Henry-Howell

10/18/2007

Street Address	Building Number	Unit Number	Price	Status	
1782 NW 142 Lane	30	1	\$204,000	CLOSED	Linda Brown
1786 NW 142 Lane	30	2	\$185,000	LITTLE HAITI	Justiane Pierre
1790 NW 142 Lane	30	3	\$185,000	COLONIAL	Marie Francois at MMAP
1794 NW 142 Lane	30	4	\$225,000	CLOSED	Marc Docteur
1798 NW 142 Lane	30	5	\$185,000	CLOSED	Christopher Stephens

5/23/2008

Street Address	Building Number	Unit Number	Price	Status	
1802 NW 142 Lane	31	1	\$185,000	COLONIAL	Annie Roberson
1806 NW 142 Lane	31	2	\$185,000	COLONIAL	Thadrin Shelton
1810 NW 142 Lane	31	3	\$215,000	CLOSED	Jerell Dardy
1814 NW 142 Lane	31	4	\$225,000	CLOSED	Joyce McIntyre
1818 NW 142 Lane	31	5	\$210,000	CLOSED	Kevin Hawkins

5/6/2008

11/9/2007

4/2/2008

11/21/2007

Street Address	Building Number	Unit Number	Price	Status	
1822 NW 142 Lane	32	1	\$225,000	CLOSED	Marie Guinard
1826 NW 142 Lane	32	2	\$185,000	CLOSED	Samuel Belidor
1830 NW 142 Lane	32	3	\$235,000	CLOSED	Lisa & DeAngelo Jackson
1834 NW 142 Lane	32	4	\$185,000	COLONIAL	Jesus Mendez at MMAP
1838 NW 142 Lane	32	5	\$185,000	HFOHFA	Pndg. Cls9 Alfred Harris Jr.

10/12/2007



TRUST INFORMATION ITEM

ITEM II.A.1.B.

HAP BUDGET UPDATE

**IMMAP HAP FILE SUBMISSIONS (Re-Opened - April 15, 2008)
MONTHLY FUNDING ANALYSIS AS OF AUGUST 31, 2008**

Report date 8/29/2008

25 files @ \$7,500 per file = \$187,500
30 files @ \$7,500 per file = \$225,000

* CASH POSITION - 8/26/08 = 1,536,974.68 (posted on 8/20/08)
* Includes Surtax revenue for July 2008 in the amount of \$190,767.78

minus FUNDED (1 Files) = 6,600.00
REMAINING CASH = 1,530,374.68

minus PENDING TOTAL ** = 473,968.00 (as of 7/31/2008)
** In Process, not funded and w/ reservations combined total

REMAINING \$ BASED ON 8/26/08
CASH ANALYSIS (Sub-Total) = 1,056,406.68

AVERAGE MONTHLY ADMINISTRATIVE
CHARGES = 71,314.00

TOTAL NET REMAINING CASH
POSITION AS OF 8/26/08 985,092.68

985,092.68 Net Cash Position as of 4/08/08

400,000.00 Reserves

350,000.00 District 3 Teachers

235,092.68 Sub-Total WITHOUT BELOW ADJUSTMENTS

30,000.00 Monthly Allocation Support funds (to guarantee 25 file per month
minimum...1 mths @ \$30k/mth)

205,092.68 =approximately 27 files



TRUST INFORMATION ITEM

ITEM II.A.4

SENTEC SCIENTIFIC PRESENTATION