



Fiscal Year 2012-2013 ANNUAL REPORT

Office of the Commission Auditor



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**BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR**

MEMORANDUM

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

FROM: Charles Anderson, CPA
Commission Auditor

A handwritten signature in black ink, appearing to read "Charles Anderson", is written over the printed name.

DATE: February 11, 2014

SUBJECT: Commission Auditor's Fiscal Year 2012-2013 Annual Report

The Fiscal Year (FY) 2012-2013 Annual Report for the Office of the Commission Auditor (OCA) is submitted in accordance with Sec. 2-479 of the Code of Miami-Dade County. During the year, the OCA continued to provide the highest quality professional services by:

- Completing four (4) audit and non-audit service projects, following-up on previously unresolved findings from prior audits, providing audit technical assistance for various projects and inquiries, and continuing work on ongoing audit and non-audit service projects;
- Providing analytical budgetary reports and approximately 37 responses to commissioners pertaining to various issues and budget items;
- Reviewing approximately 20 Board of County Commissioners (BCC) and Committee agendas (averaging 34 agenda items per meeting), and providing as supplements to the BCC agenda;
- Completing background research on any person, organization, place or thing that is the subject of a naming, renaming or co-designation item as per Ordinance 13-29;
- Providing detailed financial costs and budgetary impacts analyses for items with a fiscal impact as per Resolution R-530-10;
- Providing BCC with budget reviews for Community Redevelopment Agencies;
- Providing Tourism Impact Statements on certain legislative matters before the BCC as per Resolution R-581-11;
- Verifying accuracy of Board directives status details and producing quarterly reports to the BCC as per resolution R-256-10;
- Providing professional staff support to the Compensation and Benefits Review Ad Hoc Committee, chaired by Commissioner Barbara Jordan; and
- Responding to formal and informal requests from the BCC on important County matters.

The nature and scope of these accomplishments clearly demonstrate our commitment to value-added services and the dedicated efforts of our talented professionals. Based on feedback received from the BCC, our efforts have assisted their decision-making by helping to ensure governmental accountability and transparency. We look forward to continuing our work with the BCC in meeting the challenges facing Miami-Dade County.

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Memorandum

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Miami-Dade County
Fiscal Year 2012-2013 Annual Report
for the
Office of the Commission Auditor

INTRODUCTION

Miami-Dade County Home Rule Charter Amendment, adopted by the voters on September 10, 2002, created the Office of the Commission Auditor (OCA). The Charter Amendment: (a) empowered the Board of County Commissioners (BCC) to provide by ordinance for the Commission Auditor's specific functions and responsibilities; and (b) indicated that the Commission Auditor's functions and responsibilities shall include, but not limited to, providing the BCC with independent budgetary, audit, management, revenue forecasting, and fiscal analyses of BCC policies, and County services and contracts. *A list of legislation pertaining to OCA duties is appended as Exhibit 1.*

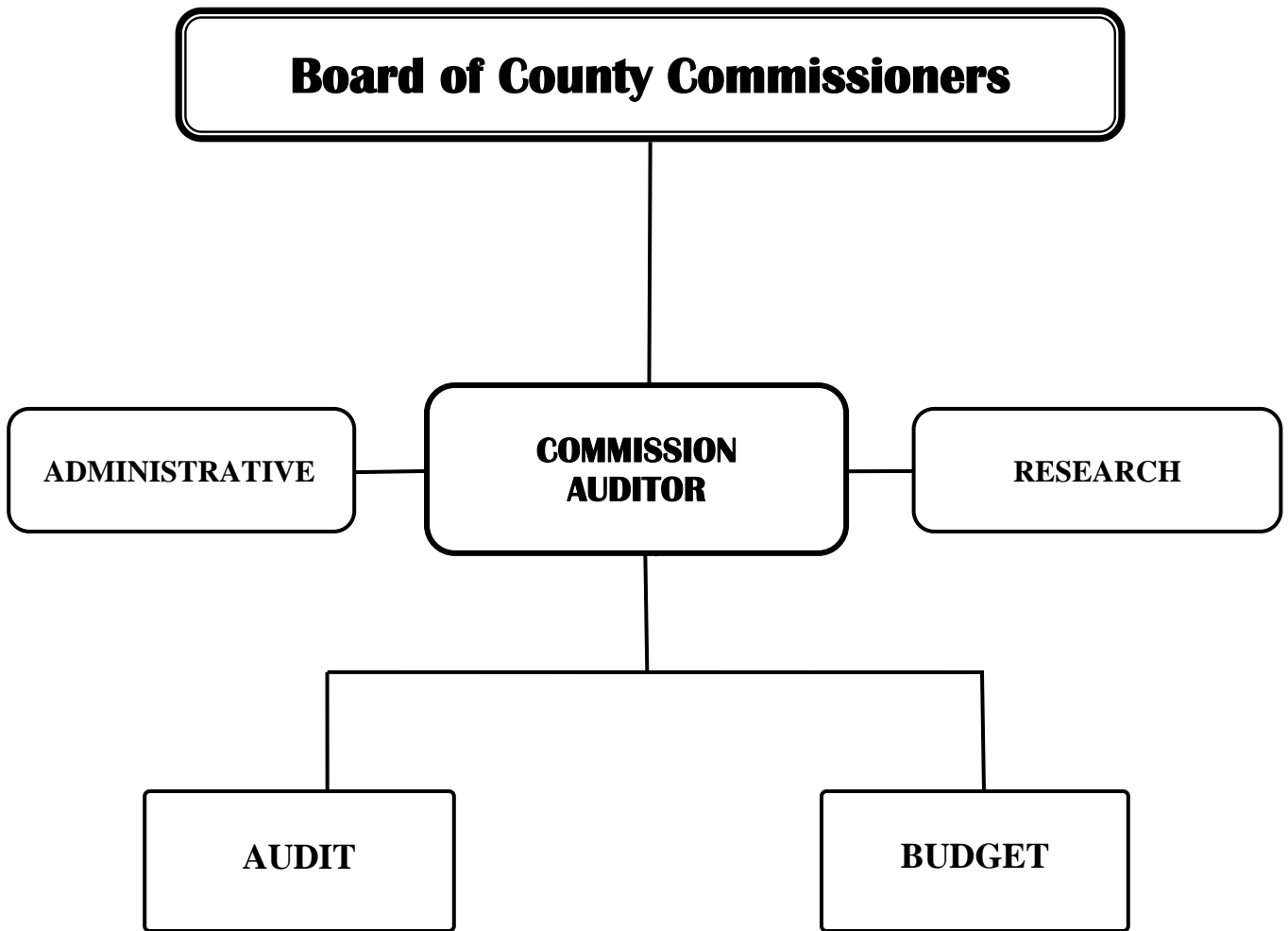
MISSION STATEMENT

To provide high quality, independent audits, budgetary, legislative research and other analyses to assist the BCC's decision-making by helping to ensure governmental accountability and the best use of public resources.

OBJECTIVES

The objectives of the OCA are:

1. To review the reasonableness of all revenue estimates included in the Mayor's proposed budget.
2. To review all departmental budgets, perform analyses and make recommendations to the Commission regarding adjustments to the proposed budget.
3. To conduct audits, management and legislative analyses, and program evaluations.
4. To provide legislative research and policy analyses to support regular BCC, Committee, and Sub-committee meetings, as well as workshops or special meetings of the BCC.
5. To review each agenda to evaluate the rationality and completeness of the information presented, as well as to evaluate the merits and impacts of the proposed transactions and/or legislation.
6. Provide the BCC with memoranda containing independent assessment of pending legislation, issues and proposals coming before the BCC.
7. To determine the extent to which legislative policies are being faithfully, efficiently and effectively implemented by the Mayor and County personnel and provide periodic reports to the BCC as needed.
8. To offer input throughout the budgetary process.
9. To determine whether County programs are achieving their described objectives.
10. To determine whether departments, agencies and entities of the County have complied with the fiscal and legislative policies of the Commission.



AUDITS

1. Audit of Accountability for Computer Equipment Purchased from FY 2008-09 through FY 2010-11 - June 5, 2013

Major Findings/Conclusions

Approximately 2,400 pieces of equipment and furniture with an original purchase cost¹ of \$2.4 million were reported as un-located during FY 2010-11. Included were more than 500 items classified as computer equipment such as desktops and laptops. Miami-Dade County guidelines to enforce accountability for un-located and/or lost assets were not enforced as required by Sub-section 7.5 of AO: 8-2. For example, several police reports were filed without documenting the reason for un-located items.

Approximately \$1.9 million in personal computer equipment were improperly classified as Special Equipment, Office Furniture & Equipment, and Computer Equipment Other than PC.

Twenty departments/agencies, divisions and/or sections did not submit the Annual Inventory Certification for June 2011. Further, during the reporting period, newly merged departments did not provide ISD with an inventory of fixed assets of the integrated departments as required in AO: 8-2, Section 6, Sub-section 6.5.



Significant findings which have not been fully addressed by Management

A follow-up audit will be scheduled to determine whether recommendations were fully addressed by Management.

2. Review of Procurement Processes, Including Change Orders, Sole Source Contracts, Debarment and Suspension Procedures, and Selection Committees - July 1, 2013

Major Findings/Conclusions

In accordance with actions taken at the June 4, 2013 BCC meeting, this audit was removed from the 2013 Work Plan. Enhancements initiated by the Internal Services Department Procurement Management Services Division addressed our audit concerns.

Significant findings which have not been fully addressed by Management

None

3. Audit of Property Exempt from Taxation per Florida Statutes – July 1, 2013

Major Findings/Conclusions

In accordance with actions taken at the June 4, 2013 BCC meeting, this audit was removed from the 2013 Work Plan. Section 193.074, Florida Statutes, limits the Commission

¹ Minimum value is based on the value of \$1,000. Most of these items had original costs above \$1,000. At the time the asset is declared un-located, the actual value with depreciation may be considerably less depending on the age of the asset.

Auditor's access to property tax information deemed confidential. Due to this scope limitation, OCA could not obtain the necessary evidential matter to perform the audit.

Significant findings which have not been fully addressed by Management

None

4. Audit of User Access Program (UAP) Exemptions – October 22, 2013

Major Findings/Conclusions

The User Access Program requires a two percent deduction from all vendor invoices for contracts established by the Internal Services Department Procurement Management Services Division to help defray the cost of procurement operations. The Office of the Inspector General (OIG) fee was established to finance the cost of random audits, inspections and reviews of County contracts by the OIG. UAP and OIG charges on federal and state-funded contracts in FY 2010-11 were not accurately reversed (refunded). Amounts of UAP and OIG fees that were reversed were less than the amounts charged by a total of \$2,082 and \$17,812 respectively.



Reports generated by the utility program for reversal of UAP and OIG fees charged to federal and state-funded contracts did not contain grant type identifiers necessary for reconciliation purposes.

The automated reversal process was limited to federal and state-funded contracts; it did not address reversal of UAP and OIG charges on other categories of exempt contracts.

Significant findings which have not been fully addressed by Management

A follow-up audit will be scheduled to determine whether recommendations were fully addressed by Management.

NON-AUDIT SERVICES

1. Review of FY 2012-13 Budget for the Community Redevelopment Agencies (CRAs)

- **March 4, 2013 – South Miami CRA**



OCA reviewed South Miami CRA's budget to ensure compliance with applicable Florida State Statutes, and Miami-Dade County Ordinances and Resolutions.

OCA confirmed that \$1.9M in budgeted expenses was in compliance with all Statutes, Ordinances and Resolutions noted above.

Status: *Completed*

- **September 3, 2013 - North Miami Beach and Miami Beach City Center CRAs**

OCA reviewed the budgets for these two CRAs to ensure compliance with applicable Florida State Statutes, and Miami-Dade County Ordinances and Resolutions.

North Miami Beach

OCA confirmed that \$6M in budgeted expenses was in compliance with all Statutes, Ordinances and Resolutions noted above.

OCA noted that on December 19, 2006, the Board approved Resolution R-1427-06 extending the life of the Agency from 2015 to 2028.

Miami Beach City Center

OCA confirmed that \$37M in budgeted expenses was in compliance with all Statutes, Ordinances and Resolutions noted above.

OCA noted this CRA is scheduled to sunset in 2023.

Status: *Completed*

- **September 27, 2013 - Southeast Overtown/Park West, Omni and Midtown Miami CRAs**

OCA reviewed the budgets for these three CRAs to ensure compliance with applicable Florida State Statutes, and Miami-Dade County Ordinances and Resolutions.

OCA confirmed that \$67M in budgeted expenses was in compliance with all Statutes, Ordinances and Resolutions noted above:

- Southeast Overtown/Park West - \$35M
- Omni - \$29M
- Midtown Miami - \$3M

Status: *Completed*

2. Analysis of Excise Gas Tax Paid to Miami-Dade County from FY 2009-10 through FY 2011-12 – July 25, 2013

Major Findings/Conclusions

Manufacturers, distributors, wholesalers or sellers delivering metered gas and bottled gas to vendors/resellers did not report the name and addresses of such vendors/resellers, and the quantities received by each, to the Finance Department semi-annually, as required by Municode Chapter 29, Section 29-40. As of December 20, 2012, out of 242 vendors with active licenses, there were approximately 196 who did not submit excise fees/payments in FY 2011-12.



Monthly reports from a significant majority of vendors/resellers, holding several active licenses, did not disclose the number of licenses/units for which the entity pays revenue, thus making it difficult to determine the completeness and accuracy of payments.

During the period FY 2009-10 through FY 2011-12, there were a total of 161 occurrences where 57 vendors missed or submitted excise gas tax payments late to the County.

Status: Completed

Significant findings which have not been fully addressed by Management

A follow-up review will be scheduled to determine if recommendations were fully addressed by Management.

3. Oversight of the Performing Arts Center Trust (PACT) - Ordinance No. 07-83

As part of the requirements of Ordinance No. 07-83 and Resolution R-141-08 approved by the BCC, OCA periodically reviews the fiscal activities of the Adrienne Arsht Center operated by the PACT. OCA attended PACT Finance committee meetings to monitor progress.

Status: Project continues until otherwise directed by the BCC.

4. Report/Audit of Various County Departments/Offices/Agencies



These are audits of various County departments/offices/agencies with an initial focus on entities funded by General Funds. The goal is to provide objective analyses so that management and those charged with governance and oversight can use this information to improve program performance and operations, reduce costs, facilitate decision making and contribute to public accountability.

Status: As needed.

5. Procurement of the Miami-Dade County Military Affairs Board - Resolution R-868-13

Resolution No. R-868-13, adopted October 22, 2013 (approving Implementing Order 3-59) directed the OCA and the OIG to review all procurements undertaken by the Military Affairs Board. On a quarterly basis, the OCA or OIG shall present a report to the BCC regarding all procurements undertaken by the Military Affairs Board pursuant to the Implementing Order.

Status: Project continues until otherwise directed by the BCC.

6. Tourism Impact Statement – Resolution R-581-11

Resolution No. R-581-11, adopted July 7, 2011, directed the OCA to provide a Tourism Impact Statement on all legislative matters coming before the BCC for approval that may positively or negatively impact Miami-Dade County tourism. The Tourism Impact Statement would detail: (a) the nature of the matter or event that could impact Miami-Dade

County's tourism industry, including background information regarding its origin and reach; (b) whether the matter poses a positive or negative effect on Miami-Dade County's tourism; and (c) any other relevant information which would assist the BCC in its analysis and decision making.

Status: Project continues until otherwise directed by the BCC.

ON-GOING PROJECTS

1. Review of Miami-Dade County Public Health Trust's (PHT) indigent health care costs funded by Surtax and Maintenance of Effort revenues

Resolution No. R-1020-11, dated November 5, 2011, stated that the governing body of the PHT shall be required to ensure that the external auditor for the PHT annually provides certification and explanation to both the governing body of the PHT and to the Commission that all ad valorem/general fund support and surtax revenues that are received are used for the purpose for which they were intended.

Status: Pending. The Commission Auditor has requested from the PHT their external auditor certification and explanation that all ad valorem/general fund support and surtax revenues were used for the purpose for which they were intended.

2. Audit of Miami-Dade Transit (MDT) Warranty Bus Parts

Review the department's internal controls and processes to determine compliance with stipulated warranty provisions to maximize recovery of warranties and to minimize out-of-pocket repair and maintenance costs.

Status: Field work phase.

3. Audit of MDT Advertising Revenue Collection Program

Review the department's Advertising Revenue Collection Program to assess compliance with the terms of advertising contracts, and evaluate the adequacy and operating effectiveness of internal controls to ensure that advertising revenues due to the County are collected and accounted for appropriately.

Status: Draft report completed: exit conference is being scheduled.

4. Review of General Services Administration (currently ISD) Pricing Best Practices

Conduct a best practices review of pricing policies for products and services of similar governmental organizations and compare with the policies and practices of GSA (currently ISD).

Status: Field work phase.

5. Audit of CSBE Participation and Utilization in a Sample of County Contracts

Determine CSBE participation and utilization in compliance with the Code of Miami-Dade County.

Status: Scope of the project was modified to include minority and local business participation. Three separate reports will be issued as follows:

- *Marlins Stadium Contract Participation: Draft report completed, exit conference is being scheduled.*
- *Audit of Minority Participation in County Contracts & Procurement: Field work phase.*
- *Audit of CSBE Participation in County Contracts: Field work phase.*

6. Audit of the County’s Community Based Organizations (CBO) grant management process

Review the County’s CBO grants management process for efficiency, effectiveness, and coordination of grant proposals.

Status: Field work phase.



7. Audit of Debt Collection Process

Provide reasonable assurance of the efficiency and effectiveness of the debt collection processes within the County.

Status: Draft report completed: pending management’s response.

8. Audit of Non-Governmental Entities’ Compliance with Lease Agreements for Use of County-owned Properties

Review a sample of County leases with non-governmental entities and provide reasonable assurance that the properties are being used in accordance with lease agreements.

Status: Field work phase.

9. Audit of Debt Collection Processes Phase II

Provide reasonable assurance of the efficiency and effectiveness of the debt collection processes within the Regulatory and Economic Resources Department. The current *Audit of Debt Collection Processes (Phase I)* revealed that some departments do not send all delinquent accounts receivable to the Finance Department’s Credit and Collections Section as required by Implementing Order 3-9. The audit also revealed that departments are not actively collecting Miami-Dade County’s code enforcement citations.

Status: Entrance conference conducted in December 2013.

10. Audit of Information Technology Department (ITD) Software Development Process

Determine if current processes for developing systems are adequate for securing confidential and protected information; and examine the software development process to determine effectiveness and efficiency and the ability to prevent waste and project failure.

Status: Not started.

11. Audit of Internal Controls for expenditures in compliance with approved budgets for selected Community Redevelopment Agencies (CRAs)

Determine whether expenditures were properly authorized in accordance with the approved budget; and examine supporting documentation, contracts and other information to determine if tax increment funds were utilized according to the Interlocal Agreement, CRA Plan or Florida Statutes.

Status: Not started.

12. Beacon Council - Resolution No. 552-09

Resolution No. R-552-09, adopted May 5, 2009, directed the OCA to prepare quarterly reports to the BCC on the Beacon Council's use of the eight percent (8%) portion of the local business tax revenue for economically disadvantaged neighborhoods as previously utilized by the Metro-Miami Action Plan (MMAP) Trust.

The Beacon Council has provided the OCA information with supporting documentation relating to Targeted Urban Areas and Enterprise Zones closed projects, visitations analysis and expense allocations relating to use of the eight percent (8%) portion of the business tax allocation. OCA has reviewed the information and a report is being drafted.

Status: Reporting phase.

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ANALYSES/REPORTS

- Research/Legislative Analyses for BCC Meeting Agendas (various dates). OCA Research Division provided Research Notes for 20 BCC and BCC Special meetings (averaging 34 agenda items per meeting) in support of Commissioners’ consideration of all agenda items.
- In accordance with Ordinance No 13-29, the Division provided 22 reports as supplements to the BCC agenda items. *Ordinance No. 13-29, adopted on April 2, 2013, requires the OCA to complete background research on any person, organization, place or thing that is the subject of a naming, renaming or co-designation item.*
- Reports in Response to Commissioner(s) Requests for Information (various dates). The Division researched and/or conducted 30 special projects, reviews, and surveys.



Listed below are some of the various projects:

- Survey - Invocation Survey, *November 2012*
Surveyed 34 municipalities to determine whether their government meetings begin with an invocation.
- Report – Red-Light Camera Ordinance Report, *December 2012*
Surveyed 22 jurisdictions that utilize red-light and/or speed camera devices. Also obtained specific data from the Clerk’s Office and the Florida Highway Patrol.
- Survey - Training and Recruitment of Police Officers, *January 2013*
Surveyed 7 police departments to determine the following information pertaining to the training and recruitment of police officers:
 - (1) Who provides the training?
 - (2) Cost of the training;
 - (3) Who covers the cost?
 - (4) Percentage of trainees that are certified;
 - (5) Ethnic/gender breakdown of most recent training class.
- Research - Nationwide Mass Shootings, *January 2013*
Provided information pertaining to mass shootings in the United States.
- Research - Police Take Home Vehicle Program, *March 2013*
Provided police take home vehicle policies for 7 police departments.

- Research – (MIA) Airport City Research Project, *April 2013*
Provided report to include the background, history and timeline of the Airport City project.
- Survey - Pension Plans for Elected Officials in Municipalities, *June 2013*
Surveyed 8 municipalities regarding their pension plans for elected officials.
- Research - Review Various Small Business Programs, *July 2013*
Reviewed various best practices of small business programs.
- Research - Coconut Grove Playhouse Legislative Timeline, *July 2013*
Provided background information and legislative timeline regarding the Coconut Grove Playhouse.
- Research - Limousine and Taxicab Regulations, *August 2013*
Provided a comparison of current regulations and proposed amendments.
- Survey - Taxicab Requirements for Credit Card Payments, *August 2013*
Surveyed five (5) jurisdictions regarding taxicab credit card payments.
- Research - Brownfield Redevelopment Bonus Program, *August 2013*
Provided information regarding the Brownfield Redevelopment Bonus Program for the period of 2007-2013.
- Survey - Enforcement of Nightclubs and Bars, *September 2013*
Surveyed eight (8) police departments to ascertain the following information:
 - (1) How do they handle problems/issues involving nightclubs and bars?
 - (2) Do they have jurisdiction to handle closures and enforcement at nightclubs and bars?



FISCAL IMPACT STATEMENTS

Resolution R-530-10, adopted May 2010, directed the Commission Auditor to track all agenda items with a fiscal impact for the required financial budgetary impact analysis, and to identify for the BCC those items which do not include the required information. Selected fiscal impact statements are shown as follows:

- October 23, 2012
 - File # 122063 - Resolution authorizing the award of contract 8058-0/17 in the amount of \$6,450,000 for the procurement of mailing services to Arrowmail Presort Co., Inc. and Postal Center International for the purchase of bulk mailing and related services for various County departments. On average, and inclusive of the vendor's \$.009 per letter service, the County saves \$0.076 per letter on first class mail. On other types of mail, such as TRIM notice and building permit mailings, a variety of discounted postage rates are used to achieve the lowest possible postage cost. While not a revenue-generating service to the County, this savings, coupled with the highly specialized equipment required, affords the most efficient method of bulk mailing services. OCA noted that the largest allocation, \$760,000 per year (\$3.8 million for 5 years), for the Clerk of the Courts, is primarily used for postage costs of sending unmetered mail to the vendor for processing. The County also has an existing contract of \$1.488 million (R-1045-11) for 17 departments to purchase or lease mail processing equipment.

- December 4, 2012
 - File # 122181 - Resolution authorizing the award of contract 9241-0/15-B, Information Technology Services, to allow County departments to utilize the existing pre-qualification pool of vendors for project management, system design, multi-platform systems integration, software programming, development and customization, web development, data and media management, network security, engineering, and technical support. The requested allocation of \$12,103,000 corresponds to 31 specific, planned, and budgeted departmental IT projects and will be valid through June 30, 2015. OCA found that in April 2012, the BCC approved contract RFP775 for \$745,000 to procure a countywide Fleet Management System (R-898-12) to include the Miami-Dade Police Department (MDPD). This item reflected a request by MDPD for an allocation of \$182,000 for the development, support and maintenance of a Fleet Management System. Additional information on this item was not available from MDPD at the time of inquiry.

- File# 122144 - Resolution approving the execution of a retroactive contract in the amount of \$1,133,000 with the State of Florida Department of Health (DOH) for the purpose of meeting the public health needs of the citizens of Miami-Dade County. OCA noted that there are fourteen (14) County facilities occupied by the DOH. The total cost to the County is as follows: building space \$14,091,200; content \$6,161,988; and insurance \$27,637.



- File 122174 - Resolution approving change order 1 for a contract between Miami-Dade County and Horsepower Electric, Inc., for a Public Works and Waste Management Department project entitled Proactive Street Lighting Repair and Maintenance Contract – Countywide, increasing the contract amount by \$827,290.68 and adding ten pay items. OCA observed that the initial 3 year contract was awarded in 2010 and that the maintenance program was funded at \$3 million annually in the capital budget. The base increase is 23%. Funding is available, and there will be no impact to future maintenance. OCA verified with the department that only the vandalized street lights (not the entire inventory) will be retrofitted with aluminum.

- March 5, 2013
 - File # 130038 - Resolution authorizing additional spending authority in the amount of \$322,000 for the Miami-Dade Transit (MDT) department to maintain and repair elevators and escalators through the end of contract term, on March 31, 2013. Upon review, OCA found that the item is a sole source contract (SS1246-3/22-1) with an initial allocation of \$2,175,000. Also, the additional allocation of \$322,000 will allow MDT to process maintenance billings and call back services and/or repairs from September, 2012 through the end of the contract term on March 31, 2013.

 - File # 130163 - Resolution authorizing competitive contract modifications and use of Charter County Transportation Surtax funds for a total additional spending authority of \$4,315,000. OCA observed that Item 1 would add MDT to the elevator maintenance, services, and modernization contract (1233-5/19) with an allocation in the amount of \$1,127,000. This contract is approximately 49% lower than pricing on the existing elevator services contract (0058-2/14-1, contract period October, 2008 through September 30, 2014) for emergency and additional services. The requested allocation will transfer MDT's need into this contract, thus allowing more competitive pricing. In September 2012, the Internal Services Department (ISD) became aware of the disparity in pricing for emergency services, and indicated that the two contracts would be subsequently consolidated.

- April 2, 2013
 - File # 130321 - Resolution authorizing the execution of a retroactive lease agreement with the State of Florida Department of Children and Families to occupy 1,230 square feet at the County-owned Frankie Shannon Rolle Neighborhood Service Center for administrative offices and to provide a variety of services including food stamps, referral services and Medicaid. The County will receive \$5,080 in annual rent for a total of \$25,400 over the five-year term. OCA observed that the most recent valuation reflects a market lease rate for this building of \$19 per square foot. At \$19 per square foot, the annual revenue for 1,230 square feet is \$23,370. However, the State will pay \$4.13 per square foot (which is the cost to operate the building) or \$5,080 annually, for a net of



\$18,290 in reduced revenue to the County. According to the item, this reduction was done in consideration for the services provided to the community.

- File # 130300 and 130301 - Resolutions authorizing Interlocal Agreements between the Town of Surfside to operate the Surfside Shuttle Bus Service and the Village of Pinecrest to operate the Pinecrest People Mover. According to MDT, to date there has been a minimum impact to the department's revenues as a result of these local circulators. However, at the time of OCA's review, the department was conducting a comprehensive bus route system analysis which was expected to be completed late April 2013. The analysis would provide more concrete information on the impact to the route structure.

- May 7, 2013

- File # 130548 - Resolution authorizing Lease Agreements to enhance communication towers for the completion of the Miami-Dade Fire Rescue Department (MDFR) Ultra-high Frequency (UHF) radio narrowbanding project to an amount not to exceed \$200,000 annually. OCA provided the following: MDFR has been upgrading its UHF radio system since 2004 through R-457-04 (\$19.147 million). In 2010, a total of \$9.621 million in additional funds were



approved (R-836-10) in order to allow MDFR to complete Phase 2 of the UHF implementation (\$1.064 million), the procurement of radio consoles equipment, parts and services for the LightSpeed facility (\$2.597 million), and for a new Countywide microwave communication system (\$5.960 million). On September 18, 2012, the BCC waived competitive

bids and awarded Motorola Solutions, Inc. a 14-month contract for this project in the amount of \$13.026 million (R-734-12). According to MDFR, the Motorola contract will also need to be granted an extension.

- June 4, 2013

- File # 130646 - Resolution approving a professional services agreement with WOOLPERT, Inc. (contract E123-SEA-02) for geographic information system services in the amount of \$999,979.55. OCA observed that this item stated that GIS services is included in PortMiami's Capital Plan and that it is funded from Seaport bonds/loans. However, according to the department, the current bonds/loans have been committed for other projects. The department will seek alternate funding until a new upcoming bond issue is approved by the BCC, which was anticipated before the end of FY 2012-13.

- June 18, 2013

- File # 130974 - Resolution waiving formal bid procedures allowing payment for professional performers, individual artists, and associated expenses for artistic services and projects in support of Culture Shock Miami in an amount not to

exceed \$30,000 per performance, project or exhibition fee, with an aggregate amount not to exceed \$300,000 and a two-year time limit or until the aggregate recommended amount is expended. OCA observed that the previous bid waiver, authorized by R-461-11 (June, 2011 through June, 2013), had a limit of \$25,000 per performance, project, or exhibition fee with an aggregate total not to exceed \$200,000 for 2 years or until the latter amount had been expended (whichever came first). The Department of Cultural Affairs anticipates that final expenditures under the previous bid waiver would be approximately \$44,625. Under the proposed bid waiver, the Department has estimated that there would be an increased number of events, as well as increased costs per event, due to the hiring of higher profile performing artists.

PUBLISHED BUDGET REPORTS

- FY 2011-12 End-of-Year Supplemental Budget Report (March 4, 2013).
- FY 2013-14 Millage Data Analysis (July 11, 2013).
- FY 2013-14 Proposed Budget - Fire Rescue and Library Departments Analysis (August 9, 2013).
- FY 2013-14 Proposed Budget (August 14, 2013), which included the following three reports: Proposed new and increased fees; Service impacts; and Re-organizations, changes in service delivery and funding changes.
- FY 2013-14 BCC/Non-Mayoral Budget Review (August 22, 2013) - OCA reviewed and provided recommendations, as appropriate, on the entities that report to the BCC including: BCC offices, Office of the Chair and its offices, Agenda Coordination, Office of the Commission Auditor, Office of Intergovernmental Affairs, County Attorney's Office, Commission on Ethics and Public Trust, and Office of the Inspector General.
- Committee of the Whole Workshop (August 23, 2013) – Reviews encompassed the following: General Fund Revenues, to include cash carryover and administrative reimbursements; Emergency Contingency Reserve; Current Wage Distribution by Bargaining Unit; and review and comparison of various County budget data to include: Sources and Uses of Funds, Personal Income per Capita versus General Fund Expenditures per Capita, 10 year history of Countywide and UMMA Population and Expenditures per Capita; Property Taxes as a Percentage of Operating Expenditures, Personnel Counts and Expenditures, Net Assessed Property Values and General Obligation Bond Governmental Activities Debt per Capita, and Miami-Dade County Non-Agricultural Major Employers.
- Departmental Budget Report by Line Item – Expenditures (August 23, 2013), pursuant to Ordinance 12-46, this report contained information for the 25 administrative departments and 13 mayoral and non-mayoral offices.



- FY 2013-14 Proposed Budget (September 13, 2013), which included the following reports: Capital Projects: Comments on projects with noteworthy changes; and Overtime: Salaries/Fringes for selected departments.
- FY 2013-14 Proposed Budget (September 18, 2013), which included the following reports: Position Adjustments by Department; and Employee Wellness Programs – a summary of programs/benefits of other institutions for the forthcoming FY 2013-14 healthcare RFP.

COMMISSION INQUIRIES

The Budget Division responded, in writing, to 37 requests from commissioners pertaining to various issues and budget items.

OTHER STAFF ACTIVITIES

Staff Support - Compensation and Benefits Review Ad Hoc Committee: On December, 2012, Committee Chairwoman Barbara Jordan presided over the ad-hoc committee of the Commission to review the County's Pay Plan in depth and to provide creative recommendations for the County Commission to consider in order for our government to become sustainable.



Status: *The recommendations from the Committee were presented to the BCC.*

Revenue Estimating Conference - On February 28, 2013, OCA met with staff from the Office of Management and Budget, the Finance Department, and the Mayor's Office to discuss and review discretionary revenues as presented by the administration.

Staff Training - OCA Budget Division staff received refresher and familiarization training on the following:

- Capital Improvements Information System (CIIS)
- Cognos/FAMIS database
- Resourcing For Results Online (RFRO) budget development web portal
- Automated Budget Development System (ABDS)

SELECTED INTERNAL REPORTS AND ANALYSES

- Referenced Overview of the Community Development Block Grant Program
- Vacant Land or Parcels by Commission District
- Synopsis of the Historic Preservation Tax Exempt Program for Renovated Properties
- Employee Salary Adjustment Reviews
- Comparative Analysis of the Self Insurance Trust Fund
- Rights-of-Way and Easements Analysis
- FY 2009-2010 through June 2013: Retirement and Drop Payouts
- FY 2013-14 Proposed: General Fund Reduction Analysis Comparisons at 5% and 10%
- FY 2013-14 Proposed: General Fund Reductions
- FY 2010-11 to FY 2012-13: Position Reorganization and Departments Budget Review
- FY 2010-11 to FY 2013-14: Review of Community Based Organizations
- FY 2009-10 to FY 2013-14 Proposed: Review of Overtime, Salaries and Fringes for Selected Departments
- Departmental Unscheduled Leave Summary
- FY 2007-08 to Present: Expenses for the Self-Insurance Trust Fund and Other Post Employment Benefits



Board Directives

In accordance with Resolution R-256-10, OCA and ITD implemented the Directives Database Tracking System to monitor and follow-up on the completion of board directives. This system generates reminders to assignees, on each subsequent Mondays, to notify them of upcoming deadlines and pending updates. Status reports, with supplemental information, are submitted to the BCC on a quarterly basis.

Annual Independence and Ethics Statement

OCA's work products are intended to add value to the BCC's consideration of policies, practices and operations of Miami-Dade County and shall be based on facts, evidence and analysis, without interference or undue influence by outside elements. Independence permits employees to render the impartial and unbiased judgments essential to the proper conduct of audits, analyses, and other non-audit services.

To enable proactively addressing and avoiding potential impairments to independence, each professional OCA staff member is required to complete and sign an Annual Independence and Ethics Statement listing any known impairments to independence. The form is approved by the Commission Auditor and kept in OCA's personnel folders. A *copy of OCA's Annual Independence and Ethics Statement is appended as Exhibit 2.*

**Tracking of Staff Time**

The OCA is expected to ensure that an appropriate balance is maintained between audit, legislative and other accountability activities. In order to accomplish this objective, the Commission Auditor implemented the Sage Software Timesheet to track and manage the workload within the office. This system can be used for other purposes such as to assist management in evaluating an employees' performance within a particular project and also to provide a database to assist staff in compiling the Annual Report, Work Plan and other strategic planning.

Staff Training

All OCA staff members are encouraged to continue their professional education and to demonstrate their proficiency by obtaining professional certifications.

- OCA auditors perform work under Generally Accepted Government Accounting Standards (GAGAS) and are individually responsible to obtain every two (2) years, at least 24 hours of Continuing Professional Education (CPE) that directly relates to government auditing, the government environment, or the specific or unique environment in which the audited entity operates.
- Since OCA auditors are involved in planning, directing, or reporting on GAGAS assignments, they also need, at a minimum, an additional 56 hours of CPE (for a total of 80 hours of CPE in every 2-year period) that enhances the auditor's professional proficiency to perform audits or attestation engagements.
- Auditors with professional certifications, such as certified public accountants and certified internal auditors, must comply with the CPE requirements of their professional certification, if such certification is a job requirement, is used to justify a pay supplement, and/or is used in the auditor's OCA business cards, nameplates, email or other work products.

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Exhibits

Exhibit 1 - Commission Auditor's Duties

- Ordinance No. 03-2, adopted by the BCC on January 23, 2003, delineated OCA's functions and responsibilities as authorized by the Home Rule Charter Amendment.
 - Provided authority for OCA access to all books and records of all departments, boards, agencies, and other entities of the County;
 - Specified responsibilities for audits; management and legislative analyses; program evaluations; review of proposed budgets and revenue forecasts; fiscal analyses of County policies, services and contracts; and, if requested by the BCC, preparation of a budget;
 - Indicated that the work of OCA is not intended to duplicate that of the County's internal auditor, Inspector General or Clerk of the Circuit and County Courts although audits or investigations may from time to time address issues arising from the same function or activity;
 - Required that matters regarding fraud, abuse or illegality be referred to the Office of the Inspector General for follow-up;
 - Stipulated that the organization and administration of OCA is required to be sufficiently independent to ensure that no interference or influence external to the office could adversely affect the independence and objectivity of the Commission Auditor.
 - Clarified that Commission Auditor reports solely to and receives direction from the BCC;
 - Required the Commission Auditor to submit a Work Plan for each fiscal year for approval by the BCC;
 - Indicated that the approved Work Plan may be amended by a majority vote of the members present to meet circumstances and address concerns of the BCC; and
 - Directed that the Commission Auditor will, without amendment to the Work Plan, respond to requests for assistance from individual members of the BCC provided the response requires a relatively minor effort that can be accomplished without disruption to the approved Work Plan.
- Ordinance No. 03-65, adopted April 8, 2003, directed the County Manager to develop a schedule and apply performance based program review principles in reviewing the programs of each County department and agency, including all trusts and entities falling under the jurisdiction of Miami-Dade County government, at least once every eight years, commencing with the Fiscal Year 2004-2005 Budget Cycle. The ordinance directed that all performance based program reviews be performed in coordination with OCA. [Note: Subsequently superseded by Ordinance No. 05-136, Governing for Results, which does not have the same requirements for OCA.]
- FY 2004-05 Adopted Budget, adopted September 23, 2004, instituted requirement for OCA review of certain HIV/AIDS community based organizations' expenditures pursuant to General Fund contracts.
- Ordinances No. 05-15 and 07-76, adopted January 20, 2005 and June 26, 2007, respectively, required OCA review and periodic reporting of the Manager's exercise of authority delegated in Section 2-8.1 of the Code, which section is entitled "Contracts and purchases generally."
- Ordinance No. 05-26, adopted January 27, 2005, established a twelve-month Expedited Purchasing Program (EPP) pilot project and required the OCA to review, evaluate and periodically report on the operation of the EPP. Ordinances No. 06-15 and 07-49, adopted January 24, 2006 and March 8, 2007, respectively, each extended the duration of the EPP and retained provisions requiring OCA review and reporting.

- Resolution No. R-195-05, adopted February 1, 2005, directed the Commission Auditor to review, analyze and make a recommendation to the BCC regarding all budget amendments proposed by the County Manager.
- Ordinance No. 07-45, adopted March 6, 2007, required that long and short term financial and capital improvement plans containing estimates be developed utilizing a professional revenue estimating process. Participants include, but are not limited to, the Director of the Office of Strategic Business Management, the Director of the Finance Department, and the Commission Auditor, or their respective designees.
- Resolution No. R-506-07, adopted April 26, 2007, which created a Budget Section within OCA and authorized nine (9) additional positions.
- Ordinance No. 07-83, adopted June 26, 2007, conditioned the County's grant to the Performing Arts Center Trust (PACT) of \$4.1 million in operational subsidies, and any prospective funding, upon the PACT's agreement to County Manager and Commission Auditor oversight.
- Resolution No. R-917-07, adopted July 26, 2007, required OCA observe the County's contract negotiations for the purchase of optical scan voting equipment. This project ended with BCC approval of the contract award on November 6, 2007.
- Ordinance No. 08-08, adopted January 10, 2008, amended Section 2-1795 of the Code, provided:
 - Requirements for OCA's coordination with the Office of Strategic Business Management in the development of the proposed budget;
 - Timeline and process requirements for OCA's budget review, analyses and recommendations;
 - Authority for OCA access to any and all financial, data, and reporting systems of the County and access to all books, records, memoranda and other documents, including both those internally or externally created, of all departments, boards, agencies, and other entities of the County;
 - OCA maintenance of information as confidential and/or exempt from disclosure to the extent required by law; and
 - Direct inquiries by OCA to any officer, agent, or employee of any department, board, agency or other County entity to clarify matters under his or her purview.
- Ordinance No. 08-42, adopted May 6, 2008, extended the term of the Expedited Purchasing Program (EPP) through March 16, 2009 and modified the program description to no longer call it a pilot program. Requirement for Commission Auditor review and evaluation of the EPP remained, although any reference to frequency was removed.
- Ordinance No. 08-86, adopted July 1, 2008, amended Article XLVII of the Code of Miami-Dade County, Florida, relating to Metro-Miami Action Plan Trust. The Trust shall present quarterly financial reports including a current statement of all accounts, to the Commission Auditor and the County Manager.
- Resolution No. 229-09, adopted March 3, 2009, directed Commission Auditor to include with each agenda item placed on the agenda, a copy of legislative analysis for that particular item.

- Resolution No. R-552-09, adopted May 5, 2009, directed the Commission Auditor to prepare quarterly reports to the Board of County Commissioners on the Beacon Council's use of eight percent of the business tax previously used by the Metro-Miami Action Plan Trust.
- Ordinance No. 09-104, adopted November 17, 2009, amended Section 2-1795 of the Code, relating to procedures to be followed in the preparation and adoption of the County's annual budget. This ordinance provided that a Committee of the Whole, rather than the Budget Conference Committee, will meet between August 15th and the first budget hearing and between the first and second budget hearings to review and discuss the proposed budget in accordance with the Commission's approved budget priorities and policy objectives and the findings, results, and recommendations of the Commission Auditor.
- Resolution No. R-256-10, adopted March 2, 2010, directed the Commission Auditor to utilize the directives database maintained by the Clerk of the Board to track and follow-up on directives and requests contained therein.
- Resolution No. 258-10, adopted March 2, 2010, directed the County Mayor to include in all award items presented to the Board of County Commissioners for ratification under the County's Stimulus Plan the names of all firms awarded contracts, details describing the solicitation process used to select such firms awarded contracts, details describing the solicitation process awards. The Mayor is further directed to present this information to the Commission Auditor and to the Board of County Commissioners prior to ratification by the Board of County Commissioners.
- Resolution No. R-530-10, adopted May 4, 2010, directed the Commission Auditor to track all agenda items with a fiscal impact for the required financial budgetary impact analysis and to identify for the Board those items which do not include the required information. Any item, other than a Commission sponsored item, without the required information cannot be heard by the Board.
- Ordinance No. 10-36, adopted June 3, 2010, amending Section 2-1795 of the Code of Miami-Dade County, Florida related to procedures to be followed by the Commission Auditor in the preparation and adoption of the County's Annual Budget. This ordinance provided that the Commission Auditor prepare a separate budget for the BCC and all departments and divisions that report to the Board. In addition, the committee amendment provides that the Commission Auditor shall review any mid-year and year-end budget amendments proposed by the Mayor and present his or her recommendations to the Board regarding such proposed amendments.
- Ordinance No. 10-43, adopted July 8, 2010, created the Miami-Dade County Performance and Efficiency Commission (PEC). The Office of the Commission Auditor will provide primary staff support to the Commission and its committees to include providing requested information, developing reports and assisting the PEC in drafting the quarterly reports required by this ordinance.



- Ordinance No. 10-46, adopted July 8, 2010, amended Section 2-481 of the Code of Miami-Dade County related to the Commission Auditor's access to information. This ordinance provided that access to information shall be provided to the Commission Auditor within five (5) business days from the date of the Commission Auditor's request; provided, however, if it is not reasonably possible to comply with the Commission Auditor's request within five (5) days, then access to the requested information shall be provided within the limited reasonable time necessary to retrieve the information. The information must be provided in the medium requested if the record is maintained in that medium.
- Ordinance No. 10-85, adopted December 7, 2010, relating to the rules of procedure of the Board of County Commissioners; amending section 2-1 of the Code of Miami-Dade County, Florida, regarding placement of agenda items sponsored by County Mayor upon inclusion of information required by Resolution No. R-530-10; and providing severability, inclusion in the code, and an effective date.
- Resolution R-30-11, adopted January 20, 2011, established the Miami-Dade County Hospital Governance Taskforce to study and report on alternative models for operating the Public Health Trust to ensure it has the governing and financial structure necessary to fulfill its crucial mission. The Office of the Commission Auditor will provide primary staff support to this Taskforce.
- Resolution R-581-11, adopted July 7, 2011, directed the Commission Auditor to provide a Tourism Impact Statement on certain legislative matters before the County Commission; and the Office of Intergovernmental Affairs shall track bills in the Florida Legislature for potential impact on Miami-Dade County tourism.
- Ordinance No. 12-46, adopted July 3, 2012, amended Section 2-1 of the Code of Miami-Dade County, Florida relating to rules of procedure of the Board of County Commissioners that pertain to the Annual Budget; amending Sections 2-1793 through 2-1796 and Sections 2-1798 through 2-1800 of the Code of Miami-Dade County, Florida related to strategic and business planning, the development, review and form of the County's annual line item budget, managerial accountability and performance, performance based program review, reserve funds and the line item budget format; amending Resolution No. R-96-05 relating to quarterly reporting of long-term vacant positions.
- Ordinance No. 13-29, adopted April 2, 2013, amending Section 2-1 of the Code of Miami-Dade County, Florida; requesting that the Commission Auditor complete background research on the person, organization, place or thing that is the subject of a naming, renaming or co-designation item and prepare a report detailing the findings of said research; directing the Clerk of the Board to place the report on the agenda as a supplement; providing severability, inclusion in the code and an effect date.
- Resolution No. R-868-13, adopted October 22, 2013, approving the Implementing Order 3-59, the Commission Auditor and Inspector General shall review all procurements undertaken by the Military Affairs Board pursuant to this Implementing Order. On a quarterly basis, the Commission Auditor or Inspector General shall present a report to the Board of County Commissioners regarding all procurements undertaken by the Military Affairs Board pursuant to this Implementing Order.

Exhibit 2 – OCA Annual Independence & Ethics Statement**ANNUAL INDEPENDENCE & ETHICS STATEMENT****Name:** _____**Position:** _____

Independence – The work of the Office of the Commission Auditor (OCA) must be free in fact and appearance from personal, external and organizational impairments to independence. Independence permits the impartial and unbiased assessments that are essential to the conduct of OCA’s mission. OCA is presumed to be free of organizational impairments to independence when analyzing or auditing organizations under the Mayor or external entities. However, impairments to independence can also be personal or external in origin.

We expect OCA staff to maintain independence in the conduct of all assigned work; to be objective, fair, and impartial; and to conduct themselves so that subjects of our analyses and audits, and third parties will see our office in this way. Each staff member must promptly notify the Commission Auditor of any situation that would impair the staff member’s or the office’s independence in their work, or that might lead others to question it. If there is any doubt about whether a situation may be perceived as impairing independence, resolve the question in favor of disclosure.

As to this date, the following are areas in which I may have impairment(s) to independence: (Details may be communicated to the Commission Auditor separately.)

Ethics – OCA staff members are to be guided in their work by the ethical principles of: public interest; integrity; objectivity; proper use of government information, resources and position; and professional behavior. OCA staff are also required to comply with applicable provisions of ethics-related laws and policies that apply to employees of the Board of County Commissioners including, but not limited to, the:

- Code of Ethics for Public Officers and Employees (Florida Statutes, Chapter 112, Part III);
- Citizens’ Bill of Rights (Miami-Dade County Home Rule Charter);
- Miami-Dade County Conflict of Interest and Code of Ethics Ordinance, (Code, Section 2-11.1); and
- Protection of Employees Disclosing Specified Information (Code, Section 2-56.28).

Affirmations – By my signature below, I affirm that:

I am not aware of any circumstances that might impair my ability to be independent in my work or that might lead others to question it, except as indicated above or on attached pages. I am responsible for compliance with ethic-related laws and policies that apply to employees of the Board of County Commissioners. I will make timely written notification in the event other circumstance(s) arise that might impair or appear to impair independence with respect to my work.

Signed by: _____
Employee

Approved by: _____
Commission Auditor

Date: _____

Date: _____

Exhibit 3 – Acronyms

ABDS	Automated Budget Development System
AO	Administrative Order
BCC	Board of County Commissioners
CAO	County Attorney's Office
CBO	Community Based Organizations
CIIS	Capital Improvement Information System
CITT	Citizen's Independent Transportation Trust
CPE	Continuing Professional Education
CRA _s	Community Redevelopment Agencies
CSBE	Community Small Business Enterprises
DOH	Department of Health
EPP	Expedited Purchasing Program
FAMIS	Financial & Accounting Management Information System
FY	Fiscal Year
GAGAS	Generally Accepted Government Accounting Standards
ISD	Internal Services Department
OCA	Office of the Commission Auditor
OIG	Office of Inspector General
MDFR	Miami-Dade Fire Rescue
MDPD	Miami-Dade Police Department
MDT	Miami-Dade Transit
MIA	Miami International Airport
MMAP	Metro-Miami Action Plan
PACT	Performing Arts Center Trust
PEC	Performance and Efficiency Commission
PHT	Public Health Trust
R- #	Resolution #
RFP	Request for Proposal
RFRO	Resourcing for Results Online
TRIM	Truth in Millage
UAP	User Access Program
UHF	Ultra High Frequency
UMSA	Unincorporated Municipal Service Area

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