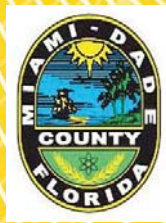


# 2016 ANNUAL REPORT



**OFFICE OF THE COMMISSION AUDITOR**  
Board of County Commissioners

**From the Desk of the  
Acting Commission Auditor  
Neil R. Singh, CPA**



As the appointed Acting Commission Auditor, I am delighted to serve to the best of my abilities in producing accurate and timely information for the Board of County Commissioners (BCC). As a seasoned auditor, I strive on accountability, transparency and productivity. My approach to strengthening the vision of the Office of the Commission Auditor (OCA) is by promoting efficiency in our work products, and we are achieving this goal by cross-training, teamwork and proven value-added strategies.

Despite the untimely passing of Mr. Anderson on June 3<sup>rd</sup>, 2016, the OCA still managed to accomplish remarkable strides in completing many pending projects. We successfully closed out audits, follow-up audits and non-audit services, which included the Audit of Debt Collection Processes - Follow-up, a detailed and comprehensive effort that disclosed that some departments have made progress in remediating the audit findings regarding compliance with IO 3-9 in the collection of Accounts Receivable, while others have not. We believe that if County departments address the report findings of non-compliance and unpaid citations this effort will provide for efficient financial administration, foster compliance with the ordinances passed by the BCC and also ensure uniform, consistent efforts to recover receivables.

We also completed the CEDAW/Status of Women in Miami-Dade report that was facilitated through the professional services of Florida International University Metropolitan Center. The report highlighted important women-related concerns such as pay and economic inequality, representation on County boards, distribution of County contracts and reduced funding sources. These issues were significant enough to receive extensive media attention and awareness by many Women's groups, and we hope that this enlightenment, along with the comprehensive list of recommendations from the Miami-Dade Commission for Women, will bring solutions to address the critical disparities affecting women and girls.

We are very receptive to Chairman Bovo's vision of re-purposing the OCA to focus more on providing legislative support for his office and the rest of the BCC. Our dedicated team will also continue to deliver accurate background checks, agenda supplements, research notes, budget and audit reports that will assist the BCC in their decision making process.

Thanks for your confidence in the OCA and I crave your continued support and direction as I endeavor to strengthen the base and integrity of the OCA. It has been a pleasure meeting and working with you and your staff members. Special thanks to Past Chairman Jean Monestime and his staff for their leadership throughout the last two years, and congratulations to Chairman Esteban L. Bovo, Jr. and Vice-Chairwoman Audrey M. Edmonson on their recent appointments. I am proud to be a part of the Miami-Dade Board of County Commissioners.

A handwritten signature in blue ink, appearing to read 'Neil R. Singh'.

Neil R. Singh, CPA  
Acting Commission Auditor



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

**MEMORANDUM**

**TO:** Honorable Chairman Esteban L. Bovo, Jr.  
and Members, Board of County Commissioners

**FROM:** Neil R. Singh, CPA  
Acting Commission Auditor

A handwritten signature in blue ink, appearing to read "Neil R. Singh", is written over the name and title in the "FROM" field.

**DATE:** March 2, 2017

**SUBJECT: Commission Auditor's 2016 Annual Report**

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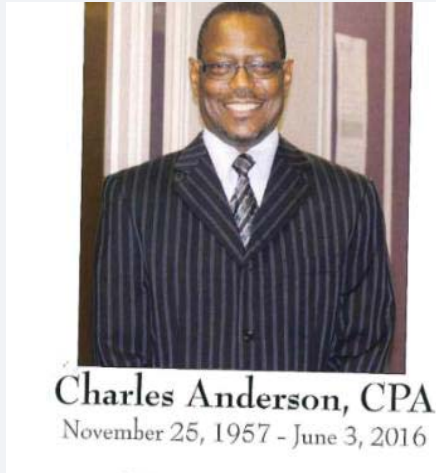
The 2016 Annual Report for the Office of the Commission Auditor (OCA) is submitted in accordance with Sec. 2-479 of the Code of Miami-Dade County. During the year, the OCA continued to provide the highest quality professional services by:

- Completing ten (10) 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 70 responses to Commissioners pertaining to various issues and budget items;
- Providing a summarized Performance Measures report to the Committees in preparation for the Budget Cycle;
- Analyzing the County's budget to identify savings without impacting delivery of services;
- Providing Research Notes for approximately 22 Board of County Commissioners (BCC) agendas and approximately 50 Committee agendas;
- Verifying accuracy of Board directives status details and producing quarterly reports to the BCC as per Resolution No. R-256-10;
- Providing detailed financial costs and budgetary impacts analyses for items with a fiscal impact as per Resolution No. R-530-10;
- Providing Gender Equity Data for the first Status of Women report in Miami-Dade County, as per Ordinance No. 15-87;
- Providing Tourism Impact Statements on certain legislative matters before the BCC as per Resolution No. R-581-11;
- Conducting 75 background checks on any person, organization, place or thing that is the subject of a naming, renaming or co-designation item as per Ordinance 13-29;
- Conducting 69 background checks on members serving on evaluation and selection committees as per Resolution No. R-449-14;
- Completing 68 background checks on applicants being considered to serve on County Boards and Trusts as per Resolution No. R-636-14; 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. We look forward to continuing our work with the BCC.

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## TRIBUTE TO THE LATE CHARLES ANDERSON



In memory of our boss, our friend and our advisor - a true professional, Mr. Charles Anderson. On June 3, 2016, the Office of the Commission Auditor lost an angel who, although displayed a quiet and unassuming disposition, had a lot of heart, strength and courage to withstand what many would have forfeited.

The fun memories with Mr. Anderson such as his singing, his cooking, his meticulous accounting quirks, his jokes, and his smiles remain as a legacy with us. Ever since his passing, the Office has never been the same, but we continue to function in the same manner he established during his leadership. His mantra remains the core of our Office, “To stay committed and work hard as a team to produce accurate and professional services to the Miami-Dade Board of County Commissioners”.

We thank God for allowing us to be a part of his life and we will forever cherish the memories and continue to hold him close to our hearts.



Neil R. Singh and Staff  
Office of the Commission Auditor

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Miami-Dade County  
**2016 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 be 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's duties is appended as Exhibit 1.*

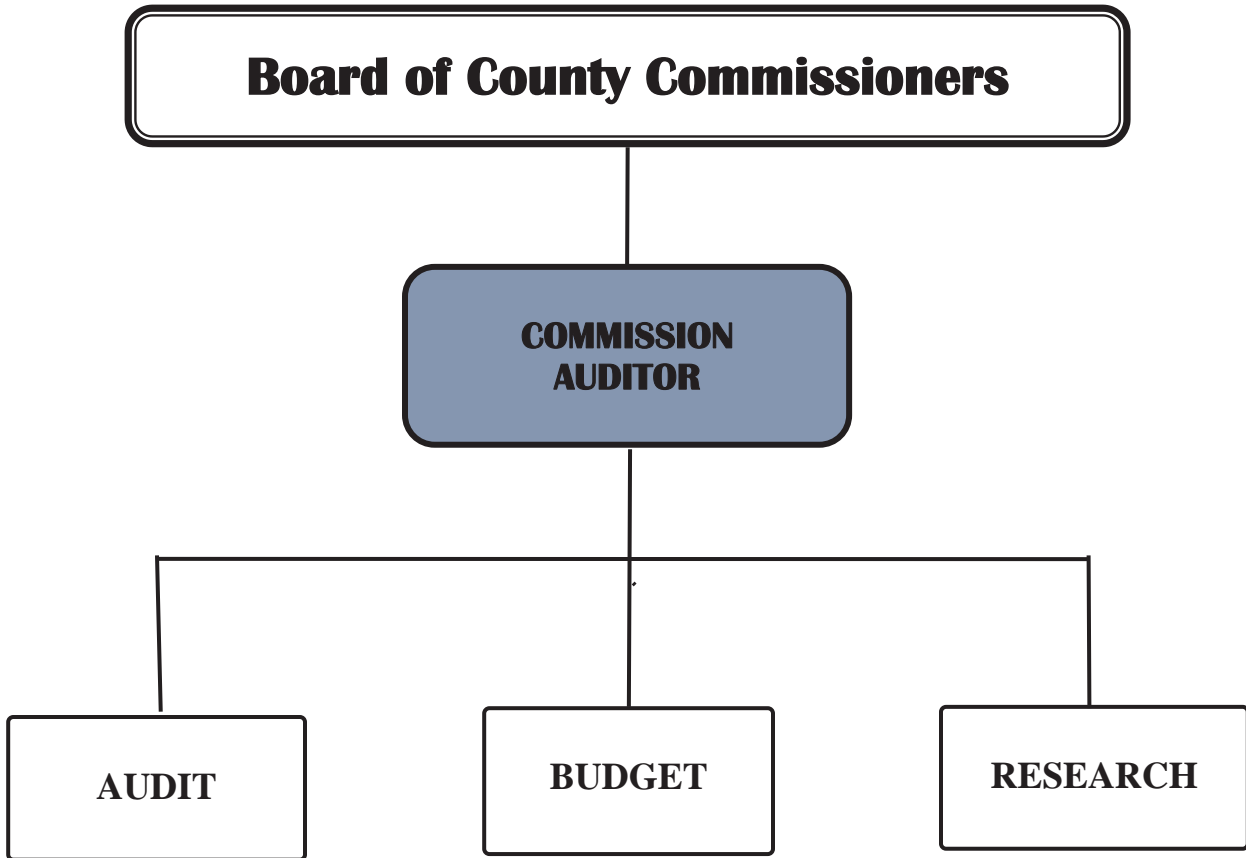
## **MISSION STATEMENT**

*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 Subcommittee 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 BCC.



## AUDITS COMPLETED

### 1. **Audit of Internal Controls for the Protection of Electronically Stored Personal and Health Information of Miami-Dade Public Housing and Community Development (PHCD) – Audit Closure – March 04, 2016**

The objectives of the initial audit were to assess the adequacy and operational effectiveness of physical, administrative, and technical controls designed for protecting the confidentiality and integrity of personally identifiable, and health information of PHCD clients.

#### Findings Summary of Initial Audit

Findings in the initial audit report include: (1) Department was using wireless technology with poor security features that could compromise confidential information; (2) access to electronic files containing confidential and sensitive information was poorly controlled; (3) encryption mechanism was not being used where necessary to protect confidential information; (4) policies and processes for managing computer users' password, computer vulnerabilities, and storage media were inadequate; and (5) department did not have adequate information security training program for its workforce.

A follow-up audit to determine whether appropriate corrective actions had been taken to resolve findings in the original audit report was completed on May 05, 2015. The follow-up audit revealed that seven of the nine findings in the initial audit report had not been fully resolved. The PHCD management was given 90 days to report subsequent actions taken to implement audit recommendations that were pending.

#### Conclusion

OCA reviewed the report of subsequent actions taken or being taken by the PHCD, and the Information Technology Department to resolve pending audit findings. We were satisfied that those actions would resolve the pending issues. Accordingly, the audit has been closed.

### 2. **Audit of Non-Governmental Entities' Compliance with Lease Agreements for the Use of County Owned Properties – May 06, 2016**



The objectives of the audit were to: (1) assess non-governmental entities' compliance with lease agreements for the use of County-owned properties, and (2) evaluate the adequacy and operating effectiveness of internal controls for ensuring compliance with lease agreements.

#### Major Findings and Conclusion

Our audit revealed that: (1) Internal controls were not adequate to ensure that all leases had the required insurance policies stipulated in their lease agreements; (2) interest and penalties were not imposed on late rent payments, and some lease agreements did not have a clause requiring payment of interest and penalties for late payment of rent; (3) delinquent lease receivables were not sent to the Finance Department Credit and Collection Section (FDCCS) for collection; and (4) Sales Tax Exemption certificates were not obtained from some leases claiming exemption.

**3. Audit of MDT Advertising Revenue Collection Program – Follow-up – August 19, 2016**

The objectives of the initial audit were to assess compliance with the terms of advertising contracts, and evaluate the adequacy and operating effectiveness of internal controls for ensuring that advertising revenues due to the County were collected, and accounted for appropriately.

Findings Summary of Initial Audit

Findings in the initial audit report include: (1) inadequate internal controls for ensuring that advertising contractors maintained required liability insurance coverage; (2) weak internal controls for the collection of advertising revenue (*one advertising contractor underpaid the County by more than \$83,000, and over \$94,000 of advertising sales were not invoiced for collection*); (3) incomplete and inaccurate accounting for receivables of advertising revenue (*approximately \$195,000 of advertising receivables were not recorded in accounting records*); and (4) lack of in-house inventory records for bus passenger benches.

A follow-up audit was performed to determine whether appropriate corrective actions had been taken to resolve the audit findings.

Conclusion

Our follow-up audit results showed that MDT had implemented actions to resolve all the findings in the final audit report. The audit has been closed.

**4. Review of Community Action and Human Services Department (CAHSD) Operations (former Community Action Agency) – Audit Closure – September 20, 2016**

The objectives of the initial review were to:

- Access the alignment of program operations with legislative intent,
- Access the compliance of programs’ fiscal management with fiscal policies, and
- Access the control environment for agency operations.

Findings Summary of Initial Audit

Findings in the initial audit report include: (1) Additional reimbursement of indirect cost of programs funded by federal grants may be available; (2) improvements were needed in the areas of evaluation, documentation, and reporting for the Weatherization Assistance Program-Low Income Home Energy Assistance Program (WAP-LIHEAP); (3) department needed a formal information security management program to better protect its information assets; and (4) quality improvement reviews were not conducted as frequently as required by the department’s operation procedures.

A follow-up audit to determine whether appropriate corrective actions had been taken to resolve the initial audit findings was completed on May 08, 2015. The follow-up audit revealed that two of the five findings in the initial audit report had not been fully resolved.

Conclusion

The CAHSD management was given 90 days to report subsequent actions taken to implement audit recommendations that were pending. OCA reviewed the report of subsequent actions taken or being taken by the CAHSD to resolve pending audit findings. We were satisfied that those actions would resolve the pending issues. The audit has been closed.



**5. Audit of Internal Controls for the Protection of Electronically Stored Personal and Health Information of Miami-Dade Community Action and Human Services Department (CAHSD) (Previously DHS) – Audit Closure – October 18, 2016**

The objectives of the initial audit were to assess the adequacy and operational effectiveness of physical, administrative, and technical controls designed for protecting the confidentiality and integrity of personally identifiable, and health information of CAHSD clients.

Findings Summary of Initial Audit

Findings in the initial audit report include: (1) Department was using a wireless network with poor security features that could easily compromise confidential and sensitive information; (2) a critical software used in the Child Development Program was not implemented with adequate security to protect data during transmission; (3) policies and procedures for managing computer user accounts and passwords, fixing computer flaws, and managing security settings were not adequately effective; (4) policy for secure custody of clients' records was violated in two sites; (6) department lacked a formal policy for the secure use and disposal of storage media; and (7) there was no policy to ensure that user-developed software and databases were secure.

A follow-up audit to determine whether appropriate corrective actions had been taken to resolve initial audit findings was completed on May 08, 2015. The follow-up audit revealed that three of the eight findings in the initial audit report had not been fully resolved.

Conclusion

The CAHSD management was given 90 days to report subsequent actions taken to implement audit recommendations that were pending. OCA reviewed the report of subsequent actions taken or being taken by the CAHSD, and the Information Technology Department to resolve pending audit findings. We were concerned with the slow speed at which the recommended upgrade and enhancements were being implemented. Nevertheless, we were satisfied that corrective actions being taken would resolve the pending issues. Accordingly, the audit has been closed.

**6. Audit of Debt Collection Processes – Miami-Dade County – Follow-up – October 27, 2016**

The objective of the initial audit was to provide reasonable assurance of the efficiency and effectiveness of the debt collection processes within the County.

Findings Summary of Initial Audit

Findings in the initial audit report include: (1) In violation of IO 3-9, fourteen County departments were not sending all of their delinquent accounts receivable (AR) to the FDCCS for collection, six departments did not have policies and procedures regarding collection of AR, and one department lacked the age analysis of its AR; (2) except for ten departments, all other departments that had AR write-offs approved by the Board of County Commissioners (BCC) did not have information on their subsequent collection efforts; (3) capping the revenue generation incentives for FDCCS personnel is disincentive to maximizing collection; and (4) code enforcement citations were not being actively collected by selected County departments (*the total unpaid amount of outstanding citations was \$492,770,554 as of August 3, 2013*).

A follow-up audit was performed to determine whether recommended corrective actions had been effected by departments to address the initial audit findings.

## Major Findings and Conclusions

Our follow-up audit revealed that across all departments, two of the four findings in the initial audit report were partially resolved; one finding was closed because it had become time-bound by the original BCC request; and one finding has not been resolved. The total unpaid amount of outstanding citations was \$480,545,417 as of September 2, 2015. OCA requested management of the affected departments to report, within 90 days, subsequent actions taken to implement the recommendations on audit findings that are pending.

### **7. Audit of User Access Program (UAP) Exemptions – Follow-up – November 18, 2016**

The objective of the original audit was to assess the County's compliance with the exemptions granted to certain type of contracts with respect to the deductions of UAP and Inspector General (IG) fees on County contracts.



#### Findings Summary of Initial Audit

The audit findings include: (1) AUP and IG fees on federal and state funded contracts in FY 2010-11 were not accurately reversed; (2) output of the automated program for reversing UAP and IG fees erroneously charged to federal and state funded contracts did not contain details necessary for reconciliation; (3) the automated reversal program did not reverse charges to other contracts that were exempt from the UAP and IG fees.

A follow-up audit was performed to determine whether appropriate corrective actions had been taken by management to resolve the audit findings.

#### Conclusion

Our follow-up audit revealed that the Finance Department and the ISD have implemented actions to resolve all the findings in the initial audit report. Therefore, this audit has been closed.

## **NON-AUDIT SERVICES COMPLETED**

### **1. Review of Miami-Dade Transit Corporate Discount Program, Price Elasticity, and the Effects of Gas Price Changes on Bus Ridership – March 8, 2016**

This special study was an extension of a prior study that compared Miami-Dade Transit (MDT) Corporate Discount Program (CDP) with those of three other major metropolitan areas. In this study, we analyzed:

- The effects of transit fare changes on transit system ridership to determine whether MDT could increase ridership by reducing fares, without negatively impacting total operational revenue;
- Industry studies on the effects of gas price changes on transit system ridership; and
- The changes in MDT's bus ridership from October 1, 2012 through July 31, 2015 in the light of decreasing gas prices.

#### Key Points/Conclusion

- The larger the decrease in transit fares, the larger the decrease in fare revenue. Thus, it would not be financially beneficial to the County to further discount the present corporate fare rates.



- When gas prices are below \$3, an increase in the price will increase bus ridership slightly. However, when gas prices are above \$3, any increase in the price leads to a more significant increase in bus ridership. On the other hand, a decrease in gas prices will lead to a decrease in ridership.
- Between 2013 and 2014, MDT’s bus ridership decreased by approximately 1.96%.
- Since the changes in gas prices are outside the control of MDT’s management, it would be expedient for the management to leverage other internal factors, including vehicle revenue miles, frequency, and quality of service to improve and sustain transit ridership.

**2. Miami-Dade County People’s Transportation Plan (PTP) Half Penny Surtax Proceeds Usage – September 15, 2016**

This review provides information and assessment of how municipalities are utilizing their portion of the Half Penny Surtax proceeds, compared to how the County is utilizing its portion.

Key Findings/Conclusion

- In general, the Surtax program has been fulfilling its intended purpose in both the municipalities and the unincorporated areas based on the list of accomplishments recorded by municipalities and the County.
- Recipient municipalities have had some challenges complying with program guidelines in the areas of rollover, reporting, segregation of accounts, maintenance of effort, and the 20% Transit-related expenditures requirement.

**3. The Status of Women in Miami-Dade County – December 6, 2016**

This study was performed to comply with Ordinance 15-87 authorizing the OCA to gather and provide Gender Equity Data to the Miami-Dade County Commission for Women (MDCCW) regarding the status of women in the County in the areas of economic development, health and safety, and education. Prepared by the Florida International University (FIU) Metropolitan Center as the subject matter expert, the report formed the basis of recommendations by the MDCCW on how to improve the status of women in the County.

Key Findings

- The gender gap persists across most measures of economic equality. The only indicator in which women are on par, or outperforming men, is educational advancement.
- There is a positive trend towards narrowing the gaps in most categories.

**PROJECTS CURRENTLY IN PROGRESS**

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

The audit objective is to provide reasonable assurance that the CSBE participation and utilization in the County contracts meets or exceeds the requirements in the County’s Code as stipulated in Chapter 10 Section 10.33-02 of the Code.

*Status: Fieldwork phase.*

**2. Review of Selected Internal Services Department (ISD) Pricing Practices**

The review objectives are to: (1) compare the ISD’s practices in terms of labor pricing, administrative cost allocation, and the ten percent markup charge with those of selected peer

jurisdictions; (2) conduct a survey of peer jurisdictions to determine whether it is the governmental entities or external contractors that provide services similar to those provided by the ISD; and (3) compare the ISD's Print Shop and Copy Center's pricing with commercial vendors' pricing.

*Status: Reporting phase.*

### **3. Audit of Debt Collection Processes Phase II**

The audit objective is to provide reasonable assurance of the efficiency and effectiveness of the debt collection processes within the Regulatory and Economic Resources Department (RER). Our *Audit of Debt Collection Processes – Miami-Dade County – Follow-up (Phase I)* revealed that some departments still do not send all of their delinquent accounts receivable, and code enforcement citations to the Finance Department Credit and Collections Section (FDCCS), as required by Implementing Order 3-9.



*Status: Fieldwork phase*

### **4. Review of Miami-Dade County Public Health Trust's (PHT) Indigent Health Care Costs Funded by Surtax and Maintenance of Effort Revenues**

The objective of this project is to review and verify indigent health care costs of the PHT/Jackson Health Systems as provided by the external auditor KPMG. Resolution R-1020-11, dated November 5, 2011, states 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: Fieldwork phase.*

### **5. Audit of Department of Transportation and Public Works (DTPW) Bus Parts Warranty**

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: Fieldwork phase.*

### **6. Review of the County's Community Based Organizations (CBOs) Grant Monitoring Process**

Due to the new RFP process, the original audit (*Audit of the County's CBO Grant Management Process*) was modified during the year to become the current review. The objective of this review is to determine whether the Office of Management and Budget (OMB) Grants Coordination Division is complying with the requirements of their monitoring procedures of CBOs.

*Status: Fieldwork phase.*



## 7. **Audit of the Information Technology Department (ITD) Software Development Process**

The project objective is to determine whether the ITD's current processes for developing systems are adequate for securing confidential and protected information, and for assuring efficiency and effectiveness to prevent waste, and project failures.

*Status: Fieldwork phase.*

## 8. **The Beacon Council's Use of Eight Percent of the Business Tax Previously Used by the Metro-Miami Action Plan**

Resolution R-552-09, adopted May 5, 2009, directed the OCA to prepare quarterly reports to the BCC on the The Miami-Dade Beacon Council, Inc. (the Beacon Council)'s use of the eight percent of the local business tax revenues previously allocated to the Metro-Miami Action Plan Trust (MMAP). MMAP is now Miami-Dade Economic Advocacy Trust (MDEAT).

The Beacon Council has provided the OCA with information, and with supporting documentation relating to its use of the eight percent of the local business tax revenues previously allocated to the MMAP. OCA is currently reviewing the information, and a report is being drafted.



*Status: Reporting phase.*

## **ON-GOING PROJECTS**

### 1. **Procurement of the Miami-Dade County Military Affairs Board – Resolution R-868-13**

Resolution 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 the OIG shall present a report to the BCC regarding all procurements undertaken by the Military Affairs Board pursuant to the Implementing Order.

*Status: In progress. The Military Affairs Board has not had procurement transactions for review since OCA's last report issued March 18, 2015.*

### 2. **Oversight of the Performing Arts Center Trust (PACT) – Ordinance 07-83**

As part of the requirements of Ordinance 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: This project continues until otherwise directed by the BCC.*

### 3. **Board Directives**

Resolution R-256-10, adopted March 2, 2010, directed the OCA to utilize the Directives Database maintained by the Clerk of the Board to track, and follow-up on directives and requests contained therein. Status reports, with supplemental information, are submitted to the BCC on a quarterly basis.

*Status: This project continues until otherwise directed by the BCC.*

#### 4. Tourism Impact Statements

Resolution 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 the County tourism.

*Status: The following table summarizes Tourism Impact Statements presented to the BCC.*



| BCC<br>DATE | RESOLUTION SUMMARY  |
|-------------|---|
| 01/20/2016  | <b>Positive Impact:</b> Approving the funding of 30 grants for a total of \$160,000 from the Department of Cultural Affairs (DCA) Fiscal Year (FY) 2015-16 Community Grants Program – Second Quarter. |
| 03/08/2016  | <b>Positive Impact:</b> Approving the funding of 31 grants for a total of \$332,650 from the Fiscal Year (FY) 2015-16 Tourist Development Council (TDC) Grants Program – Second Quarter.              |

Note: Effective April 2016, at the request of the BCC Chair’s Office, the OCA will only provide Tourism Impact Statements on legislative matters that negatively impact the County



## PUBLISHED BUDGET REPORTS

- Departmental Scorecards and Performance Measures Reports (April 1, 2016)
- Summarized Performance Measures Report Unincorporated Municipal Services Area (May 5, 2016)
- Summarized Performance Measures Report Transit & Mobility Services (May 5, 2016)
- Summarized Performance Measures Report Trade & Tourism Services (May 5, 2016)
- Summarized Performance Measures Report Strategic Planning & Government Operations (May 5, 2016)
- Summarized Performance Measures Report Metropolitan Services (May 5, 2016)
- Summarized Performance Measures Report Economic Prosperity (May 5, 2016)
- FY 2016-2017 Proposed Budget - Millage Data (July 15, 2016)
- FY 2016-2017 Proposed Budget - Temporary Staff and Non-Departmental Expenditures (August 24, 2016)
- FY 2016-2017 Proposed Budget - Position Adjustments by Department (August 31, 2016)
- FY 2016-17 Proposed Budget - Proposed Budget Adjustments (September 6, 2016)
- FY 2016-17 Proposed Budget - Committee of the Whole (September 7, 2016) – report encompassed issues that were raised by various Commissioners.
- FY 2016-17 Proposed Budget - Capital Projects and Unfunded Capital Projects (September 14, 2016) – report encompassed a review of capital projects that had notable changes.



## SELECTED INTERNAL REPORTS AND ANALYSES

- Transit ridership review
- Fiscal Year 2015-2016: Review of Metrobus Overtime Expenditures
- Review of Transit hiring of bus operators
- Active DROP Employees
- Report of Finance Department positions and supervisors

- PROS parking and marina revenues
- Employee supervisors/non-supervisors by ethnicity
- Review of budget supplements
- Report on 311 surveys
- Report on union grievances and workers compensation
- County owned properties by zip code



### COMMISSION INQUIRIES

The Budget Division responded to over 70 requests from Commissioners pertaining to various issues and budget items.

### OTHER BUDGET ACTIVITIES

Revenue Estimating Conference – On May 4, 2016, 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:

- Budget Analysis Tool (BAT)
- Capital BAT (C-BAT)
- Scorecard Training
- Smart View
- FAMIS
- Managing Strategic Performance
- The Revolving Role of Chief Audit Executives
- Measuring Internal Audit Value and Performance
- Risk Matrix Approach



## RESEARCH ANALYSES/REPORTS

- Research/Legislative Analyses for BCC Meeting Agendas (various dates). OCA Research Division provided Research Notes for 22 BCC meetings in support of Commissioners' consideration of all agenda items.
- On April 2, 2013, the BCC adopted Ordinance No. 13-29, requiring the OCA to complete background checks on any person, organization, place or thing that is the subject of a naming, renaming or co-designation item.

In accordance with Ordinance No. 13-29, the Division provided 75 reports as supplements to the BCC agenda items. A 21% increase. Staff has been cross-trained to facilitate the significant increase.

- On May 6, 2014, the BCC adopted Resolution No. R-449-14, directing OCA to conduct background checks of all individuals serving on evaluation/selection committees, and members of his or her immediate family (spouse, domestic partner, parents, stepparents, children and stepchildren).



In accordance with R-449-14, the Division conducted 69 background checks on members serving on Evaluation and Selection Committees.

The background checks are limited to verifying that:

- (1) the selection and/or evaluation committee member or members of his or her immediate family (spouse, domestic partner, parents, stepparents, children and stepchildren) does not control or direct any financial or other interest in any vendor, affiliate of any vendor, or proposed subcontractor of any vendor under consideration by the committee he or she is appointed to;
  - (2) none of the owners, officers, or employees of the proposing vendors was an immediate supervisor of the appointed selection or evaluation committee member during the preceding eighteen (18) months; and
  - (3) the selection or evaluation committee member or members of his or her immediate family (spouse, domestic partner, parents, stepparents, children and stepchildren) are not currently employed or were previously employed by any vendor, affiliate of any vendor, or proposed subcontractor of any vendor under consideration by the committee he or she is appointed to.
- On July 1, 2014, the BCC adopted Resolution No. R-636-14, directing OCA to complete background checks on all applicants being considered to serve on County boards and trusts that require nominations and/or appointments by the BCC and to prepare a report detailing the findings of said research.

In accordance with R-636-14, the Division conducted background checks for 68 applicants. A 40% increase. Staff has been cross-trained to facilitate the significant increase.

- On February 10, 2015, a memorandum from the Office of the Chair directed OCA to provide research and legislative notes to the newly formed committees. Staff gathered information and conducted research, including comparative analysis of programs and policies of other governmental agencies around the country.

| COMMITTEE                                       | 2016 MEETING DATES  |
|---|---|
| Economic Prosperity (11)                        | 1/14, 2/11, 3/17, 4/14, 5/12, 6/16, 7/14, 9/14, 10/13, 11/10, 12/15 |
| Metropolitan Services (11)                      | 1/13, 2/8, 3/16, 4/13, 5/11, 6/15, 7/13, 9/13, 10/13, 11/9, 12/14   |
| Strategic Planning & Government Operations (11) | 1/12, 2/9, 3/15, 4/12, 5/10, 6/14, 7/12, 9/12, 10/11, 11/9, 12/13   |
| Trade and Tourism (3)                           | 10/13, 11/10, 12/15   |
| Transit and Mobility Services (3)               | 10/13, 11/9, 12/14  |
| Unincorporated Municipal Service Area (11)      | 1/12, 2/9, 3/15, 4/12, 5/10, 6/14, 7/12, 9/12, 10/11, 11/9, 12/13   |



### Tracking of Staff Time

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.

### 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 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. This 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.*



## Exhibit 1 - Commission Auditor's Duties

### Foundation

- 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 the 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.]
- Resolution No. R-506-07, adopted April 26, 2007, which created a Budget Section within OCA and authorized nine (9) additional positions.





- 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. 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

### **Ongoing**

- 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.



- 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-229-09, adopted March 3, 2009, directed the Commission Auditor to include with each agenda item placed on the agenda, a copy of the 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 15<sup>th</sup> 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. 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.



- Resolution No. 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 effective date.
- Resolution No. R-868-13, adopted October 22, 2013, approving the Implementing Order 3-59, to include the Commission Auditor and Inspector General in the procurement process undertaken by the Military Affairs Board pursuant to this Implementing Order. On a



quarterly basis, the Commission Auditor shall present a report to the Board of County Commissioners regarding all procurements undertaken by the Military Affairs Board pursuant to this Implementing Order.

- Resolution No. R-449-14, adopted May 6, 2014, directing the Commission Auditor to conduct background checks on members serving on Evaluation and Selection Committees.

- Resolution No. 541-14, adopted June 3, 2014, amending the Commission Auditor's Annual Work Program to include the task of analyzing the County's Budget to identify savings that can be attained without impacting delivery of services; and directing the Commission Auditor to report the results of this analysis within sixty days; and directing the Mayor or the Mayor's Designee to provide the Commission Auditor with access to the information needed to accomplish such task in a timely manner.



- Resolution No. R-636-14, adopted July 1, 2014, directing the Commission Auditor to complete background research on applicants being considered to serve on County Boards and Trusts that require nominations and/or appointments by the Board of County Commissioners and to prepare a report detailing the findings of said research.
- Ordinance No. 15-44, adopted June 2, 2015, relating to the rules of procedure of the Board of County Commissioners; amending Section 2-1 of the Code of Miami-Dade County, Florida; requiring a separate vote on the County budget at public budget hearings; establishing County policy to require distribution of Mayor's changes memoranda no later than 48 hours prior to the first and second budget hearings. The ordinance directs the Commission Auditor to prepare and maintain a list of all issues raised in conjunction with the budget approval process as set forth in subsection (d)(1). The Commission Auditor shall distribute such list to each member of the Board no later than forty-eight (48) hours prior to the scheduled commencement of the first budget hearing.
- Ordinance No. 15-58, adopted June 30, 2015, relating to approval of the County Budget; amending Section 2-1795 of the Code of Miami-Dade County, Florida to revise the duties of the Commission Auditor and the roles and timing of Commission Committees related to the budget.
- Ordinance No. 15-87, adopted September 1, 2015, amending Article XXXI of the Code of Miami-Dade County, Florida to locally adopt the spirit underlying the principles of the convention on the elimination of all forms of discrimination against women, an international treaty; amending Section 2-477 of the Code of Miami-Dade County, Florida to gather data regarding economic development, health and safety, and education of women in Miami-Dade County; amending Section 2-269 of the Code of Miami-Dade County Commission for Women to analyze such data and to report to the Board.



## Prior

- 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's 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's review and reporting.
- Resolution No. R-195-05, adopted February 1, 2005, directed the Commission Auditor to review, analyze and make recommendations to the BCC regarding all budget amendments proposed by the County Manager.
- 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. 08-42, 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. The requirement for the Commission Auditor's 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 the 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. R-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.
- 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 PEC 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. 10-85, 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;
- Resolution No. 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.





### Exhibit 3 – Acronyms

|       |   |
|-------|---|
| AO    | Administrative Order  |
| BAT   | Budget Analysis Tool  |
| BCC   | Board of County Commissioners   |
| CAHSD | Community Action & Human Services Department                                  |
| CEDAW | Convention on the Elimination of all forms of<br>Discrimination Against Women |
| C-BAT | Capital-Budget Analysis Tool  |
| CBO   | Community Based Organizations   |
| CDP   | Corporate Discount Program  |
| CPA   | Certified Public Accountant   |
| CPE   | Continuing Professional Education   |
| CSBE  | Community Small Business Enterprises  |
| DCA   | Department of Cultural Affairs  |
| DHS   | Department of Human Services  |
| DROP  | Deferred Retirement Option Program  |
| EPP   | Expedited Purchasing Program  |
| FAMIS | Financial & Accounting Management Information System                          |
| FDCCS | Finance Department Credit & Collections Department                            |
| FIU   | Florida International University  |
| FY    | Fiscal Year   |
| GAGAS | Generally Accepted Government Accounting Standards                            |
| GSA   | General Services Administration   |
| IG    | Inspector General   |
| ISD   | Internal Services Department  |
| ITD   | Information Technology Department   |
| OCA   | Office of the Commission Auditor  |
| MDT   | Miami-Dade Transit  |
| OIG   | Office of Inspector General   |
| PACT  | Performing Arts Center Trust  |
| PEC   | Performance and Efficiency Commission   |
| PHCD  | Public Housing & Community Development  |
| PHT   | Public Health Trust   |
| R- #  | Resolution #  |
| TDP   | Tourist Development Council   |
| UAP   | User Cccess Rrogram   |

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**MIAMI-DADE BOARD OF COUNTY COMMISSIONERS**  
**Stephen P. Clark Center (*Government Center*)**  
**111 N.W. First Street, Miami, FL 33128**  
**[www.miamidade.gov](http://www.miamidade.gov)**

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