



## OFFICE OF THE COMMISSION AUDITOR

**TO:** Honorable Chairman Jose "Pepe" Diaz  
and Members, Board of County Commissioners

**FROM:** Adeyinka Majekodunmi, CPA  
Commission Auditor

A handwritten signature in blue ink, appearing to read "Adeyinka Majekodunmi", with a horizontal line extending to the right.

**DATE:** November 14, 2022

**SUBJECT:** The Miami-Dade Beacon Council, Inc.'s Use of Eight Percent of the Business Tax Previously Used by the Metro-Miami Action Plan

In accordance with Resolution No. R-552-09, the Office of the Commission Auditor (OCA) reviewed The Miami-Dade Beacon Council, Inc.'s (Council) use of the eight percent (8%) of the Local Business Tax Revenues (LBT) previously used by the Metro-Miami Action Plan Trust (MMAP). In September 2009, the MMAP reorganized and became the Miami-Dade Economic Advocacy Trust (MDEAT).

OCA's current review covered information submitted by the Council for the fiscal years ended September 30, 2017, 2018, and 2019.

Should you require additional information, feel free to contact me at (305) 375-4354.

c: Honorable Mayor Daniella Levine Cava  
Geri Bonzon-Keenan, County Attorney  
Gerald K. Sanchez, First Assistant County Attorney  
Jess McCarty, Executive Assistant County Attorney  
Edward Marquez, Chief Financial Officer  
Jimmy Morales, Chief Operations Officer  
Morris Copeland, Chief Community Services Officer  
Cathy Jackson, Director, Audit and Management Services  
Felix Jimenez, Inspector General, Office of the Inspector General  
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OCA Staff

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COMMISSION AUDITOR**

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

**November 14, 2022**

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Commission Auditor

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### **The Office of the Commission Auditor**

The Office of the Commission Auditor was established in 2002 by the voters of Miami-Dade County after their approval of the Home Rule Charter Amendment to create the position of Commission Auditor to provide independent financial, legislative, research analyses and audits to assist the Board of County Commissioners' decision-making process by helping to ensure governmental accountability, transparency, and the best use of public resources. The Commission Auditor's duties include reporting to the Board of County Commissioners on the fiscal operations of County departments, as well as whether the fiscal and legislative policy directions of the Commission are being efficiently and effectively implemented.

This report, prepared in collaboration with The Miami-Dade Beacon Council, Inc. as subject matter experts, is substantially less detailed in scope than an audit in accordance with the Generally Accepted Auditing Standards (GAAS). OCA plans and performs the review to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on its objectives; accordingly, OCA does not express an opinion on the data gathered by the subject matter expert(s).

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## I. OBJECTIVE AND SCOPE

Per Resolution No. R-552-09,<sup>1</sup> the Office of the Commission Auditor (OCA) reviewed The Miami-Dade Beacon Council, Inc.'s (the Council) use of eight percent (8%) of the LBT revenues previously used by the Metro-Miami Action Plan Trust (MMAP) for the fiscal years ended September 30, 2017, 2018, and 2019. In September 2009, the MMAP became the Miami-Dade Economic Advocacy Trust (MDEAT).<sup>2</sup>

The objective of this review, a nonaudit service, was to prepare a report for the Miami-Dade Board of County Commissioners (BCC) per Ordinance No. 08-112,<sup>3</sup> adopted October 7, 2008. The Ordinance designated the Council to utilize these LBT revenues for similar purposes in economically disadvantaged neighborhoods as outlined in the former Grant Agreement with MMAP.<sup>4</sup> Per the Council's documents, the economically disadvantaged neighborhoods<sup>5</sup> included in this review are the Enterprise Zones (EZ),<sup>6</sup> Empowerment Zones (EMP),<sup>7</sup> and Targeted Urban Areas (TUA)<sup>8</sup> of Miami-Dade County (County). OCA reviewed data provided by the Council for the fiscal years referenced.

## II. METHODOLOGY

This report, prepared in collaboration with the Council as subject matter experts, is substantially less detailed in scope than an audit in accordance with the Generally Accepted Auditing Standards (GAAS). OCA plans and performs the review to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objectives; accordingly, OCA does not express an opinion on the data gathered by the subject matter experts.

Following the adoption of Resolution No. R-552-09, OCA must review quarterly information submitted by the Council to the BCC and the County Mayor. OCA prepares reports on an annual basis to agree with the Council's yearly audit numbers. OCA reviewed electronic documents prepared by the Council and met with the Council's staff virtually and at the Council's offices to review and discuss the information provided by the Council.

The Council provided OCA with access to their books and records to perform this review, including information deemed by the Council to be proprietary and confidential. OCA traced the information provided by the Council on a test basis to various supporting

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<sup>1</sup> [Miami-Dade County Resolution No. R-552-09](#)

<sup>2</sup> [Miami-Dade Economic Advocacy Trust's About Us](#)

<sup>3</sup> [Miami-Dade County Ordinance No. 08-112](#)

<sup>4</sup> [Miami-Dade County Resolution No. R-552-09](#)

<sup>5</sup> [Miami-Dade County Municode Chapter 2 - Administration Article LXXXVI. - Targeted Jobs Incentive Fund Program](#)

<sup>6</sup> [Enterprise Zone - Overview \(arcgis.com\)](#)

Enterprise Zones are specific areas in the County where certain incentives from the State are available for new business. The areas were created based on studies of income, employment, and state requirements.

<sup>7</sup> [Empowerment Zone - Overview \(arcgis.com\)](#)

Empowerment Zones define poverty areas derived from pre-selected U.S. Census Tracts.

<sup>8</sup> [Target Urban Area - Overview \(arcgis.com\)](#)

Target Urban Areas consist of predominantly low-income and depressed areas that were created because of the Mayor's Urban Revitalization Task Force to promote economic revitalization for these areas.



documents, including the TUA and EZ Completed Projects and Visitations Analysis spreadsheets, the Year-End Key Performance Indicators (KPIs), subsidiary ledgers, payroll documents, and audited financial statements, for the fiscal years ended September 30, 2017, 2018, and 2019.

### III. BACKGROUND

On July 19, 1988, the BCC adopted Resolution No. R-1066-88, authorizing the execution of a retroactive agreement with the Council as the County’s official economic development partnership entity and as the Economic Development Agency (EDA) to implement the Economic Development Strategy (EDS) within the County per Ordinance No. 87-38.<sup>9</sup>

Per the agreement, the services the Council would render in overseeing and implementing the EDS for the County would include, but would not be limited to:

*Advertising; promotional activities; stimulation of grants and contributions to Small Business Administration licensed venture capital entities (MSBICs/Section 301(d) Investment Companies); merchandising; general marketing, in all its forms; direct sales; the securing and encouragement of private sector funding; aggressive recruitment of new industries; the retention and expansion of existing businesses; and any other appropriate sales and marketing techniques to promote Dade County.*<sup>10</sup>

On June 7, 1994, the Council and MMAP entered into a grant agreement allocating 8% of the LBT revenues received by the Council to MMAP. MMAP was required to use these revenues per state and local laws to oversee and implement a comprehensive economic development strategy.<sup>11</sup>

On October 7, 2008, the BCC adopted Ordinance No. 08-112, rescinding its policy requiring the Council to allocate 8% of the LBT revenues to MMAP. Ordinance No. 08-112 also designated that the Council utilizes this 8% of the LBT revenues for *similar purposes* in economically disadvantaged neighborhoods as outlined in the former Grant Agreement with MMAP. Ordinance No. 08-112 further stipulated that the Council submit a written annual report to the BCC and include a clear statement on the uses of these funds previously allocated to MMAP.<sup>12</sup>

The definition of “similar purposes” as “set forth in the former Grant Agreement with MMAP,” and per Ordinance No. 08-112, is “*to oversee and implement a comprehensive economic development strategy through advertising, promotional activities, and other sales and marketing techniques.*”<sup>13</sup>

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<sup>9</sup> [Miami-Dade County Municode Chapter 2 - Administration Article LXXXVI. - Targeted Jobs Incentive Fund Program](#)

Sec. 2-1252 k. The Beacon Council means Miami-Dade County's official economic development partnership entity as designated by the Board of County Commissioners per Ordinance No. 87-38.

<sup>10</sup> Agreement between the County and the Council dated October 1, 1987.

<sup>11</sup> Grant Agreement between MMAP and the Council dated June 7, 1994.

<sup>12</sup> [Miami-Dade County Ordinance No. 08-112](#)

<sup>13</sup> Ibid.

## **Local Business Taxes (LBT)**

Local Business Taxes (LBT), formerly named Local Occupational License Taxes through 2005 in the Florida Statutes,<sup>14 15</sup> are required to engage in or manage any business, profession, or occupation in Miami-Dade County.<sup>16</sup> Businesses, professions, and occupations do not include nonprofit religious, nonprofit charitable, or nonprofit educational institutions.<sup>17</sup> The County retains LBT revenue collected within the County's unincorporated areas. LBT revenues derived from places of business located within a municipality, exclusive of the costs of collection, must be apportioned between the unincorporated area of the County and the incorporated cities by a ratio derived by dividing their respective populations by the population of the County. LBT revenue collected is sent to each municipality according to its percentage and to the County according to the ratio of the unincorporated area within fifteen days following the month of receipt.<sup>18</sup>

Amounts assessed for the LBT are calculated using a schedule of taxes based on the maximum number of employees during any period of the taxing year. This schedule of taxes found in Section 8A-223.1 of the County Code does not include the Council's tax.<sup>19</sup> All applicants for new or renewed LBT pay an additional amount of tax equal to 50 percent of the amount otherwise due. The proceeds of such additional tax go into a separate interest-earning account. This revenue, plus accrued interest, is distributed each fiscal year to the Council. The Council furnishes a written annual report to the BCC, including a clear statement on its uses of the 8% of LBT funds previously allocated to MMAP for similar purposes.<sup>20</sup>

## **Economically Disadvantaged Neighborhoods Background**

On April 15, 1997, the BCC adopted Ordinance No. 97-33, initially defining the TUA to include those geographical areas commonly known as Liberty City/Model City, Carol City, Goulds, Overtown, Little Haiti, Brownsville, Opa-locka, Richmond Heights, Homestead/Florida City, Coconut Grove, Northwest 27th Avenue Corridor, Northwest 183rd Street Corridor, West Little River, Princeton/Naranja, Leisure City, South Miami, and Perrine. Ordinance No. 97-33 also defined TUA to include those geographical areas in the County to be designated by the Federal government as EMP.<sup>21</sup>

On March 12, 2002, the BCC adopted Ordinance No. 02-39, amending Ordinance No. 97-33 by expanding the definition of the Urban Areas to include the following City of North

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<sup>14</sup> [2021 Florida Statutes Chapter 205 Local Business Taxes](#)

205.022 (5) "Local business tax" means the fees charged and the method by which a local governing authority grants the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction.

<sup>15</sup> [2005 Florida Statutes Chapter 205 Local Occupational License Taxes](#)

205.022 (1) "Local occupational license" means the method by which a local governing authority grants the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction.

<sup>16</sup> [Miami-Dade County Municode Chapter 8A - Business Regulations Article IX. - Local Business Tax Receipt Sec. 8A-171](#)

<sup>17</sup> [Miami-Dade County Municode Chapter 8A - Business Regulations Article IX. - Local Business Tax Receipt Sec. 8A-173 \(1\)](#)

<sup>18</sup> [Miami-Dade County Municode Chapter 8A - Business Regulations Article IX. - Local Business Tax Receipt Sec. 8A-174](#)

<sup>19</sup> [Miami-Dade County Municode Chapter 8A - Business Regulations Article IX. - Local Business Tax Receipt Sec. 8A-223.1](#)

<sup>20</sup> [Miami-Dade County Municode Chapter 8A - Business Regulations Article IX. - Local Business Tax Receipt Sec. 8A-171.2](#)

<sup>21</sup> [Miami-Dade County Resolution No. R-514-15](#)

Miami commercial corridors: 7th Avenue District, Downtown District, West Dixie Highway District, and Biscayne Boulevard District.<sup>22</sup> Together with the Northwest 27th Avenue Corridor and the Northwest 183rd Street Corridor, these corridors are collectively known as the TUA Corridors.<sup>23</sup>

On February 1, 2011, the BCC adopted Ordinance No. 11-05, amending Ordinance No. 97-33, incorporating maps with clearly defined boundaries and street descriptions for each Urban Area, including the EMP.<sup>24 25</sup>

Miami-Dade County received its EMP designation in 1999. The EMP covers specific census tracts in the following ten neighborhoods: Central Business District/Seaport; the Airport; Melrose; Allapattah/Civic Center; Overtown; East Little Havana; Wynwood; Liberty City/Model City; Homestead; and Florida City. The EMP also covers three developable sites: Opa-locka Airport, Northside/Poinciana Industrial Center, and Homestead/Florida City.<sup>26</sup>

The County's EZ program consists of three areas: North Central Dade, which encompasses a large part of Northwest Miami-Dade County, including Miami International and Opa-locka Airports, parts of East Hialeah, the EMP, and a satellite in North Dade; South Dade, which covers part of the cities of Cutler Bay, Homestead and Florida City, as well as Perrine and Princeton; and Miami Beach, which includes parts of South Beach, Collins Avenue and North Beach.<sup>27</sup> The Florida Enterprise Zone Act Sections 290.001 - 290.014 were repealed on December 31, 2015.<sup>28</sup>

Qualified Opportunity Zones (QOZ) are economically distressed communities where new investments may be eligible for preferential tax treatment. Localities qualify as QOZ if they have been nominated for that designation by a state, the District of Columbia, or a U.S. territory, and that nomination has been certified by the Secretary of the U.S. Treasury via his delegation of authority to the Internal Revenue Service (IRS). QOZ was added to the tax code by the Tax Cuts and Jobs Act on December 22, 2017. The first set of QOZ designations, covering parts of 18 states, were designated on April 9, 2018. QOZs have been designated to cover parts of all 50 states, the District of Columbia, and 5 U.S. territories.<sup>29</sup>

The IRS issued proposed regulations for QOZ on October 22, 2018,<sup>30</sup> and on April 18, 2019.<sup>31</sup> The final QOZ regulations were released on December 19, 2019.<sup>32</sup> On November

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<sup>22</sup> [Miami-Dade County Ordinance No. 02-39](#)

<sup>23</sup> [Target Urban Area Corridor - Overview \(arcgis.com\)](#)

<sup>24</sup> [Miami-Dade County Ordinance No. 11-05](#)

<sup>25</sup> [Miami-Dade County Municode Chapter 30A - Urban Renewal Article VI. Task Force On Urban Economic Revitalization](#)  
Sec. 30A-129 incorporates (Ord. No. 97-33, § 2, 4-15-97; Ord. No. 02-39, § 1, 3-12-02; Ord. No. 11-05, § 1, 2-1-11)

<sup>26</sup> [Miami-Dade County Resolution No. R-311-09](#)

<sup>27</sup> [Miami-Dade County Resolution No. R-914-14](#)

<sup>28</sup> [2021 Florida Statutes Chapter 290 Urban Redevelopment](#)

<sup>29</sup> [Opportunity Zones Frequently Asked Questions | Internal Revenue Service \(irs.gov\)](#)

<sup>30</sup> [IRS releases proposed regulations for Qualified Opportunity Zones](#)

<sup>31</sup> [New Qualified Opportunity Zone regulations offer additional guidance](#)

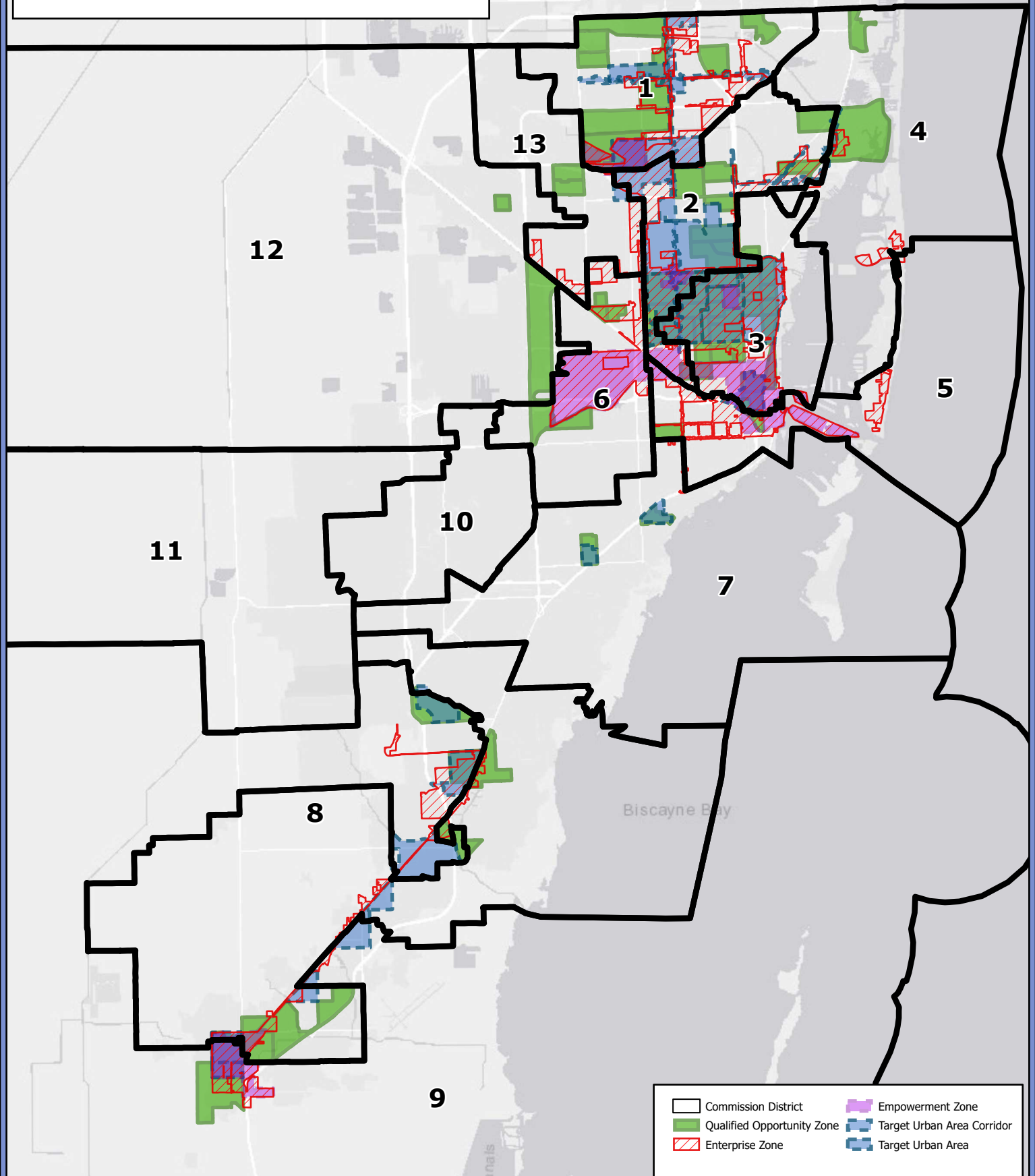
<sup>32</sup> [Final QOZ regulations include favorable interpretations](#)

19, 2019, the BCC adopted Resolution No. R- 1258-19, directing the Mayor to support the Council as the County's point of contact on access to QOZ benefits.<sup>33</sup>

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<sup>33</sup> [Miami-Dade County Resolution No. R-1258-19](#)

MIAMI-DADE COUNTY ECONOMIC ZONES



- Commission District
- Qualified Opportunity Zone
- Empowerment Zone
- Enterprise Zone
- Target Urban Area Corridor
- Target Urban Area

This map was prepared by the  
 Miami - Dade Information Technology Department  
 Geospatial Technologies Division

August 2021  
 1 inch equals miles  
[www.miamidade.gov](http://www.miamidade.gov)

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**OFFICE OF THE  
COMMISSION AUDITOR**

#### **IV. SUMMARY RESULTS**

Based on the documentation prepared by the Council and our interviews of the Council's staff, OCA noted that two methodologies were employed to determine compliance with the 8% of the LBT revenues to economically disadvantaged neighborhoods as required by Ordinance No. 08-112. The first methodology used to allocate expenses is based on completed projects, which resulted in the proceeds allocated being greater than the 8% of the LBT revenues for the fiscal years ended September 30, 2017, 2018, and 2019. The second methodology used to allocate expenses is based on LBLJ visitations, which resulted in the proceeds allocated being greater than the 8% of the LBT revenues for the Fiscal years ended September 30, 2018, and 2019. However, the proceeds allocated based on LBLJ visitations for the fiscal year 2017 were less than 8% of LBT revenues.

In this report, OCA did not include allocations to functional expenses in the review of the use of the 8% of the LBT revenues because it may contribute to an over-allocation of cost to the objective of determining whether these LBT revenues were used in accordance with Ordinance No. 08-112 for similar purposes in economically disadvantaged neighborhoods as outlined in the former Grant Agreement with MMAP. This is a change from the previous reports that allocated costs to functional expenses based on the aggregate ratio of ERRPSE employees (Individual Contributors), which was derived from the percentage of visitations and completed projects in the economically disadvantaged neighborhoods compared to the total visitations and completed projects. OCA has included future enhancement opportunities under the recommendation section of this report that will continue to increase the accuracy of the allocation of expenses incurred for projects undertaken by the Council for the economically disadvantaged neighborhoods as required by Ordinance No. 08-112.

#### **V. DETAILED RESULTS**

The tables below show the detailed results of our review of the TUA and EZ Completed Projects and Visitations Analysis spreadsheets provided by the Council for the fiscal years ended September 30, 2017, 2018, and 2019.

The Council categorizes expenses allocation by Expansion, Retention, and Recruitment Professional Support Expenses (ERRPSE) and functional expenses. ERRPSE allocated to the economically disadvantaged neighborhoods. The allocation ratio for ERRPSE represents a ratio of the individual employee's specific TUA and EZ projects completed and LBLJ visitations performed compared to the total completed projects and LBLJ visitations performed by the same employee across all areas. The allocation of ERRPSE comprised of professional staff costs including salaries, taxes, and benefits to the economically disadvantaged neighborhoods is based on the above ratio and not the time incurred in completing projects and visitations to the economically disadvantaged neighborhoods. Functional expenses allocated to the economically disadvantaged neighborhoods are based on a percentage of total completed projects and LBLJ visitations (Global Allocation Ratio). The Global Allocation Ratio is the percentage of completed projects or visitations in the designated zones by all employees directly involved in these efforts as compared to the total completed projects or visitations across all areas.

Currently, there is limited data on the functional expenses and the appropriate allocation to the economically disadvantaged neighborhoods. As a result, OCA sent follow-up questions to the Council to clarify the availability of operational metrics that may be used in allocating functional expenses. As per meeting with the Council, there are no other operational metrics available that may be used other than the Global Allocation Ratio. The Council only tracks outcomes in the form of completed projects and LBLJ visitations rather than staff time. The Council further explained that functional expenses support the individual staff's efforts in completing projects and LBLJ visitations.

**Table I** and **Table II** below highlight the results of our analysis of the Council's use of the 8% allotted to TUA and EZ. OCA only highlights the allocation of ERRPSE expenses in the tables below, as these were the direct employee expenses related to completed projects and visitations.

**Table I**  
ERRPSE allotted to TUA and EZ based on Completed Projects Allocation

| Fiscal Year | LBTR<br>Local Business Tax<br>Receipts (LBTR) | X<br>8% | = A<br>8% of LBTR | B <sup>34</sup><br>ERRPSE Professional<br>Support Expense<br>Allocation |
|-------------|---|---------|-------------------|---|
| 2016-17     | \$3,851,408                                   | 8%      | \$308,113         | \$345,093   |
| 2017-18     | \$3,941,056                                   | 8%      | \$315,284         | \$476,236   |
| 2018-19     | \$3,971,547                                   | 8%      | \$317,724         | \$401,489   |

**Source:** Data from the TUA and EZ Completed Projects and Visitations Analysis spreadsheets.

**Table II**  
ERRPSE allotted to TUA and EZ based on LBLJ Visitations Allocation

| Fiscal Year | LBTR<br>Local Business Tax<br>Receipts (LBTR) | X<br>8% | = A<br>8% of LBTR | B <sup>35</sup><br>ERRPSE Professional<br>Support Expense<br>Allocation |
|-------------|---|---------|-------------------|---|
| 2016-17     | \$3,851,408                                   | 8%      | \$308,113         | \$233,781   |
| 2017-18     | \$3,941,056                                   | 8%      | \$315,284         | \$358,338   |
| 2018-19     | \$3,971,547                                   | 8%      | \$317,724         | \$319,974   |

**Source:** Data from the TUA and EZ Completed Projects and Visitations Analysis spreadsheets.

<sup>34</sup> ERRPSE Professional Support Expense Allocation (B) is based on the percentage of TUA/EMP/EZ completed projects to total completed projects by employee. This ratio is used to allocate salary and benefits of employees responsible for completed projects and is the sum of the individual employee allocations. Refer to attachment I-III for details by fiscal year.

<sup>35</sup> ERRPSE Professional Support Expense Allocation (B) is based on the percentage of TUA/EMP/EZ visitations to total visitations by employee. This ratio is used to allocate salary and benefits of employees responsible for visitations and is the sum of the individual employee allocations. Refer to attachment I-III for details by fiscal year.

## VI. CONCLUSION

Our examination of documentation and analysis of the methodology used indicates that the Council directed amounts over 8% of the LBT revenues to the economically disadvantaged neighborhoods for the fiscal years ended September 30, 2017, 2018, and 2019 as required by Ordinance No. 08-112 based on completed projects and for fiscal years ended September 30, 2018, and 2019 based on LBLJ visitations. However, the methodology which employed allocation of proceeds based on LBLJ visitations resulted in proceeds allocated for the fiscal year 2017 being less than 8% of LBT revenues.

## VII. RECOMMENDATIONS

### **Prior Report's Recommendation**

The Council's management implemented our recommendation to expand reporting in its quarterly Key Performance Indicators (KPI) reports to include the many steps needed to achieve the outcome of their efforts, as measured by metrics such as, among others, the completed projects and visitations. The added details showing steps taken to achieve these metrics from start to finish more accurately portray the many and varied endeavors of the Council and render these activities more transparent to its many stakeholders. OCA is satisfied with the actions taken by the Council to address our suggestion.

### **Current Report's Recommendation**

OCA identified some opportunities to enhance the categorization of the Council's efforts in the economically disadvantaged neighborhoods as areas under consideration may have multiple classifications. Currently, the Council utilizes County mapping systems to enter the address of companies assisted and visited to determine the proper categorization concerning the different areas under consideration. The sales and contact management software Salesforce captures this information. The current zones consist of related designations and map overlays. The Council has indicated that it intends to revamp the reporting of these areas and simplify it, OCA agrees with this enhancement.

The Council's current methodology uses completed projects and LBLJ visitations to allocate direct project costs. The OCA will collaborate with the Council to assess the feasibility of using a new cost allocation methodology that accounts for the use of time and resources spent across projects and visitations. This will enable the OCA and Council to present the allocation of expenses for projects in economically disadvantaged neighborhoods with the most efficient allocation methodology if available.



## **VIII. ATTACHMENTS**

The Miami-Dade Beacon Council, Inc.  
TUA and EZ Completed Projects and Visitations Analysis  
FY 2016-2017

| Employee            | Total Completed Projects | Total Visitations | TUA + EMP + EZ     |             | TUA + EMP + EZ Visitations | Salary            | Taxes            | Benefits          | Salary & Benefits Total | (a)                                    |                                 | (b) |  |
|---------------------|--------------------------|-------------------|--------------------|-------------|----------------------------|-------------------|------------------|-------------------|-------------------------|--|---------------------------------|-----|--|
|                     |                          |                   | Completed Projects | Visitations |                            |                   |                  |                   |                         | Allocation Based on Completed Projects | Allocation Based on Visitations |     |  |
| Employee 1          | 4                        | 28                | 3                  | 19          |                            | \$ 100,786        | \$ 7,710         | \$ 20,157         | \$ 128,653              | \$ 96,490                              | \$ 87,300                       |     |  |
| Employee 2          | 7                        | 21                | 2                  | 5           |                            | \$ 98,538         | \$ 7,538         | \$ 19,708         | \$ 125,784              | \$ 35,938                              | \$ 29,949                       |     |  |
| Employee 3          | 2                        | 27                | 0                  | 0           |                            | \$ 60,000         | \$ 4,590         | \$ 12,000         | \$ 76,590               | \$ -                                   | \$ -                            |     |  |
| Employee 4          | 6                        | 1                 | 4                  | 0           |                            | \$ 68,654         | \$ 5,252         | \$ 13,731         | \$ 87,637               | \$ 58,425                              | \$ -                            |     |  |
| Employee 5          | 6                        | 9                 | 3                  | 3           |                            | \$ 119,612        | \$ 9,150         | \$ 23,922         | \$ 152,685              | \$ 76,343                              | \$ 50,895                       |     |  |
| Employee 6          | 13                       | 30                | 8                  | 12          |                            | \$ 73,400         | \$ 5,615         | \$ 14,680         | \$ 93,695               | \$ 57,659                              | \$ 37,478                       |     |  |
| Employee 7          | 8                        | 23                | 1                  | 4           |                            | \$ 126,841        | \$ 9,703         | \$ 25,368         | \$ 161,912              | \$ 20,239                              | \$ 28,159                       |     |  |
| <b>Total ERRPSE</b> | <b>46</b>                | <b>139</b>        | <b>21</b>          | <b>43</b>   |                            | <b>\$ 647,831</b> | <b>\$ 49,559</b> | <b>\$ 129,566</b> | <b>\$ 826,956</b>       | <b>\$ 345,093</b>                      | <b>\$ 233,781</b>               |     |  |

**Eight Percent of the Business Taxes (c)**

**Excess (Deficit) Over Eight Percent devoted to TUA and EZ (d) (e)**

|  |                   |                    |
|--|-------------------|--------------------|
|  | <b>\$ 308,113</b> | <b>\$ 308,113</b>  |
|  | <b>\$ 36,980</b>  | <b>\$ (74,332)</b> |

**Notes:**

- (a) The Total Expansion, Retention, and Recruitment Professional Support Expenses (ERRPSE) based on Completed Projects in the amount of \$345,093 is the sum of the individual employee allocations.
- (b) The Total Expansion, Retention, and Recruitment Professional Support Expenses (ERRPSE) based on LBLJ Visitations in the amount of \$233,781 is the sum of the individual employee allocations.
- (c) Total FY 2016-2017 LBTR collections \$3,851,408 (8% = \$308,113).
- (d) Excess (Deficit) over 8% devoted to TUA and EZ based on Completed Projects.
- (e) Excess (Deficit) over 8% devoted to TUA and EZ based on LBLJ Visitations.

Please note that **Attachment 1** depicts the allocation of expenses to economically disadvantaged neighborhoods for ERRPSE and does not include functional expenses. OCA has excluded the functional expenses allocation as we are unable to relate these expenses directly to completed projects and visitations due to the methodology employed. The Council's TUA and EZ Completed Projects and Visitations Analysis accounts for a total expense of \$5,175,013, of which \$826,956 relates to ERRPSE.

**The Miami-Dade Beacon Council, Inc.**  
**TUA and EZ Completed Projects and Visitations Analysis**  
**FY 2017-2018**

| Employee            | Total Completed Projects | Total Visitations | TUA + EMP +EZ Completed Projects | TUA + EMP +EZ Visitations | Salary              | Taxes            | Benefits          | Salary & Benefits Total | (a)                                    |                                 | (b)                                    |                                 |
|---------------------|--------------------------|-------------------|----------------------------------|---------------------------|---------------------|------------------|-------------------|-------------------------|--|---------------------------------|--|---------------------------------|
|                     |                          |                   |                                  |                           |                     |                  |                   |                         | Allocation Based on Completed Projects | Allocation Based on Visitations | Allocation Based on Completed Projects | Allocation Based on Visitations |
| Employee 1          | 0                        | 10                | 0                                | 2                         | \$ 184,968          | \$ 14,150        | \$ 36,994         | \$ 236,111              | \$ -                                   | \$ -                            | \$ 47,222                              | \$ 47,222                       |
| Employee 2          | 5                        | 35                | 4                                | 16                        | \$ 103,809          | \$ 7,941         | \$ 20,762         | \$ 132,512              | \$ 106,010                             | \$ 106,010                      | \$ 60,577                              | \$ 60,577                       |
| Employee 3          | 0                        | 1                 | 0                                | 0                         | \$ 301,359          | \$ 23,054        | \$ 60,272         | \$ 384,684              | \$ -                                   | \$ -                            | \$ -                                   | \$ -                            |
| Employee 4          | 4                        | 48                | 3                                | 17                        | \$ 95,544           | \$ 7,309         | \$ 19,109         | \$ 121,961              | \$ 91,471                              | \$ 91,471                       | \$ 43,195                              | \$ 43,195                       |
| Employee 5          | 4                        | 38                | 2                                | 13                        | \$ 51,214           | \$ 3,918         | \$ 10,243         | \$ 65,374               | \$ 32,687                              | \$ 32,687                       | \$ 22,365                              | \$ 22,365                       |
| Employee 6          | 6                        | 30                | 4                                | 12                        | \$ 77,250           | \$ 5,910         | \$ 15,450         | \$ 98,610               | \$ 65,740                              | \$ 65,740                       | \$ 39,444                              | \$ 39,444                       |
| Employee 7          | 10                       | 29                | 4                                | 13                        | \$ 123,600          | \$ 9,455         | \$ 24,720         | \$ 157,775              | \$ 63,110                              | \$ 63,110                       | \$ 70,727                              | \$ 70,727                       |
| Employee 8          | 9                        | 69                | 7                                | 32                        | \$ 76,125           | \$ 5,824         | \$ 15,225         | \$ 97,174               | \$ 75,580                              | \$ 75,580                       | \$ 45,066                              | \$ 45,066                       |
| Employee 9          | 12                       | 56                | 3                                | 10                        | \$ 130,477          | \$ 9,981         | \$ 26,095         | \$ 166,554              | \$ 41,638                              | \$ 41,638                       | \$ 29,742                              | \$ 29,742                       |
| <b>Total ERRPSE</b> | <b>50</b>                | <b>316</b>        | <b>27</b>                        | <b>115</b>                | <b>\$ 1,144,345</b> | <b>\$ 87,542</b> | <b>\$ 228,869</b> | <b>\$ 1,460,757</b>     | <b>\$ 476,236</b>                      | <b>\$ 476,236</b>               | <b>\$ 358,338</b>                      | <b>\$ 358,338</b>               |

**Eight Percent of the Business Taxes (c)**  
**Excess (Deficit) Over Eight Percent devoted to TUA and EZ (d) (e)**

**\$ 315,284**    **\$ 315,284**  
**\$ 160,952**    **\$ 43,053**

**Notes:**

- (a) The Total Expansion, Retention, and Recruitment Professional Support Expenses (ERRPSE) based on Completed Projects in the amount of \$476,236 is the sum of the individual employee allocations.
- (b) The Total Expansion, Retention, and Recruitment Professional Support Expenses (ERRPSE) based on LBLJ Visitations in the amount of \$358,338 is the sum of the individual employee allocations.
- (c) Total FY 2017-2018 LBTR collections \$3,941,056 (8% = \$315,284).
- (d) Excess (Deficit) over 8% devoted to TUA and EZ based on Completed Projects.
- (e) Excess (Deficit) over 8% devoted to TUA and EZ based on LBLJ Visitations.

Please note that **Attachment 1** depicts the allocation of expenses to economically disadvantaged neighborhoods for ERRPSE and does not include functional expenses. OCA has excluded the functional expenses allocation as we are unable to relate these expenses directly to completed projects and visitations due to the methodology employed. The Councils TUA and EZ Completed Projects and Visitations Analysis account for a total expense of \$5,110,910, of which \$1,460,757 relates to ERRPSE.

The Miami-Dade Beacon Council, Inc.  
TUA and EZ Completed Projects and Visitations Analysis  
FY 2018-2019

| Employee            | Total Completed Projects | Total Visitations | TUA + EMP + EZ     |             | Salary              | Taxes            | Benefits          | (a)                     |  | (b)                             |  |
|---------------------|--------------------------|-------------------|--------------------|-------------|---------------------|------------------|-------------------|-------------------------|--|---------------------------------|--|
|                     |                          |                   | Completed Projects | Visitations |                     |                  |                   | Salary & Benefits Total | Allocation Based on Completed Projects | Allocation Based on Visitations |  |
| Employee 1          | 0                        | 3                 | 0                  | 2           | \$ 12,115           | \$ 927           | \$ 2,423          | \$ 15,464               | \$ -                                   | \$ 10,310                       |  |
| Employee 2          | 0                        | 12                | 0                  | 4           | \$ 162,946          | \$ 12,465        | \$ 32,589         | \$ 208,000              | \$ -                                   | \$ 69,333                       |  |
| Employee 3          | 4                        | 4                 | 2                  | 0           | \$ 105,542          | \$ 8,074         | \$ 21,108         | \$ 134,725              | \$ 67,362                              | \$ -                            |  |
| Employee 4          | 0                        | 1                 | 0                  | 0           | \$ 340,040          | \$ 26,013        | \$ 68,008         | \$ 434,061              | \$ -                                   | \$ -                            |  |
| Employee 5          | 1                        | 18                | 0                  | 9           | \$ 39,430           | \$ 3,016         | \$ 7,886          | \$ 50,333               | \$ -                                   | \$ 25,166                       |  |
| Employee 6          | 12                       | 38                | 6                  | 10          | \$ 86,058           | \$ 6,583         | \$ 17,212         | \$ 109,853              | \$ 54,927                              | \$ 28,909                       |  |
| Employee 7          | 10                       | 35                | 6                  | 13          | \$ 134,172          | \$ 10,264        | \$ 26,834         | \$ 171,271              | \$ 102,762                             | \$ 63,615                       |  |
| Employee 8          | 1                        | 20                | 1                  | 10          | \$ 69,635           | \$ 5,327         | \$ 13,927         | \$ 88,889               | \$ 88,889                              | \$ 44,444                       |  |
| Employee 9          | 11                       | 58                | 3                  | 19          | \$ 85,444           | \$ 6,536         | \$ 17,089         | \$ 109,069              | \$ 29,746                              | \$ 35,729                       |  |
| Employee 10         | 15                       | 49                | 5                  | 12          | \$ 135,848          | \$ 10,392        | \$ 27,170         | \$ 173,409              | \$ 57,803                              | \$ 42,468                       |  |
| <b>Total ERRPSE</b> | <b>54</b>                | <b>238</b>        | <b>23</b>          | <b>79</b>   | <b>\$ 1,171,229</b> | <b>\$ 89,599</b> | <b>\$ 234,246</b> | <b>\$ 1,495,074</b>     | <b>\$ 401,489</b>                      | <b>\$ 319,974</b>               |  |

**Eight Percent of the Business Taxes (c)  
Excess Over Eight Percent devoted to TUA and EZ. (d) (e)**

**\$ 317,724 \$ 317,724  
\$ 83,766 \$ 2,251**

**Notes:**

- (a) The Total Expansion, Retention, and Recruitment Professional Support Expenses (ERRPSE) based on Completed Projects in the amount of \$401,489 is the sum of the individual employee allocations.
- (b) The Total Expansion, Retention, and Recruitment Professional Support Expenses (ERRPSE) based on LBLJ Visitations in the amount of \$319,974 is the sum of the individual employee allocations.
- (c) Total FY 2016-2017 LBTR collections \$3,971,547 (8% = \$317,723.76).
- (d) Excess (Deficit) over 8% devoted to TUA and EZ based on Completed Projects.
- (e) Excess (Deficit) over 8% devoted to TUA and EZ based on LBLJ Visitations.

Please note that **Attachment 1** depicts the allocation of expenses to economically disadvantaged neighborhoods for ERRPSE and does not include functional expenses. OCA has excluded the functional expenses allocation as we are unable to relate these expenses directly to completed projects and visitations due to the methodology employed. The Councils TUA and EZ Completed Projects and Visitations Analysis account for a total expense of \$4,845,821, of which \$1,495,074 relates to ERRPSE.

| <b>The Miami-Dade Beacon Council, Inc.</b>                               |                      |                         |                  |
|--|----------------------|-------------------------|------------------|
| <b>TUA and EZ Completed Projects and Visitations Consolidated Report</b> |                      |                         |                  |
| <b>FISCAL YEAR ENDED SEPTEMBER 30, 2017</b>                              |                      |                         |                  |
|  | <b>Total Summary</b> | <b>EZ/EMP/TUA Total</b> | <b>Per Cent%</b> |
| <b>Completed Projects</b>  | 46                   | 21                      | 46%              |
| <b>New Direct Jobs Created</b>   | 2,134                | 1,298                   | 61%              |
| <b>Indirect Jobs Created</b>   | 627                  | 378                     | 60%              |
| <b>Total Jobs Created</b>  | 2,761                | 1,676                   | 61%              |
| <b>New Capital Investment</b>  | \$337,402,000        | \$210,474,000           | 62%              |
| <b>New Square Feet</b>   | 1,547,718            | 883,388                 | 57%              |
| <b>Visitations</b>   | 139                  | 43                      | 31%              |
| <b>FISCAL YEAR ENDED SEPTEMBER 30, 2018</b>                              |                      |                         |                  |
|  | <b>Total Summary</b> | <b>EZ/EMP/TUA Total</b> | <b>Per Cent%</b> |
| <b>Completed Projects</b>  | 50                   | 27                      | 54%              |
| <b>New Direct Jobs Created</b>   | 1,954                | 964                     | 49%              |
| <b>Indirect Jobs Created</b>   | 647                  | 308                     | 48%              |
| <b>Total Jobs Created</b>  | 2,601                | 1,272                   | 49%              |
| <b>New Capital Investment</b>  | \$402,585,727        | \$160,755,000           | 40%              |
| <b>New Square Feet</b>   | 1,696,465            | 758,571                 | 45%              |
| <b>Visitations</b>   | 316                  | 115                     | 36%              |
| <b>FISCAL YEAR ENDED SEPTEMBER 30, 2019</b>                              |                      |                         |                  |
|  | <b>Total Summary</b> | <b>EZ/EMP/TUA Total</b> | <b>Per Cent%</b> |
| <b>Completed Projects</b>  | 54                   | 23                      | 43%              |
| <b>New Direct Jobs Created</b>   | 2,198                | 1,264                   | 58%              |
| <b>Indirect Jobs Created</b>   | 738                  | 459                     | 62%              |
| <b>Total Jobs Created</b>  | 2,936                | 1,723                   | 59%              |
| <b>New Capital Investment</b>  | \$820,610,397        | \$380,925,000           | 46%              |
| <b>New Square Feet</b>   | 1,917,826            | 835,073                 | 44%              |
| <b>Visitations</b>   | 238                  | 79                      | 33%              |

Source: Projects Summary and Jobs Created All Years.



November 11, 2022

Mr. Adeyinka Majekodunmi, CPA  
 Commission Auditor  
 Office of the Commission Auditor  
 Miami-Dade County  
 111 NW First Street, Suite 1030  
 Miami, FL 33128

Subject: The Miami-Dade Beacon Council Inc.'s Use of Eight Percent of the Business Tax Pursuant to Resolution No. R-552-09

Dear Mr. Majekodunmi:

Thank you for the professional and thorough approach that the Office of the Commission Auditor utilized to complete its review and report on the use of the eight percent allocated from the Local Business Tax Surcharge in accomplishing the Miami-Dade Beacon Council's county-wide economic development mission for the fiscal years ending September 30, 2017, 2018, and 2019, respectively.

We recognize and appreciate the Office of the Commission Auditor's conclusion that The Miami-Dade Beacon Council is in compliance with the requirements set forth in resolution R-522-09, along with our diligent work to improve all areas of our Miami-Dade County.

**Prior Year's Recommendation**

As indicated in your report, we have satisfactorily met the prior year's recommendation to implement expanded reporting of our Key Performance Indicators (KPIs) to include the many steps required to achieve the final outcome of our economic development efforts, namely Completed Projects, and Completed Visitations.

**Current Year's Recommendation**

We accept this year's recommendation to simplify reporting as it relates to the County mapping system, where current zones consist of related designations and map overlays. We welcome the collaboration with the Office of the Commission Auditor to assess the feasibility of a more efficient allocation methodology for Completed Projects and Completed Visitations in economically disadvantaged areas. Additionally, The Miami-Dade Beacon Council will continue to develop and strengthen partnerships to expand our economic development services across Miami-Dade County and further clarify the broad impact of our efforts.



Mr. Adeyinka Majekodunmi, CPA  
 Commission Auditor  
 Office of the Commission Auditor Re: The Miami-Dade Beacon Council Inc.'s Use of Eight Percent of the  
 Business Tax Pursuant to Resolution No. R-552-09  
 Page 2

The Miami-Dade Beacon Council strives to be continually responsive to the changing demands and evolution of our community and economy. We welcome and appreciate the County's unwavering partnership in that endeavor.

Sincerely,

A handwritten signature in blue ink that reads 'William D. Talbert, III'.

William D. Talbert, III  
 Interim President & CEO

/cgj

Attachments

Copy:

Honorable Daniella Levine Cava, Miami-Dade County Mayor

Honorable Jose 'Pepe' Diaz, Chairman, Miami-Dade Board of County Commissioner

The Miami-Dade Board of County Commissioners

Ms. Yolanda Cash Jackson, FY 2022-23 Chair, The Miami-Dade Beacon Council, Inc.

Mr. George Bermudez, FY 2021-22 Chair, The Miami-Dade Beacon Council, Inc.

Jana Wright, MBA, CFE | BCC Senior Auditor, Office of Commission Auditor, Miami-Dade County

Cathy Jackson, CPA, Director, Audit and Management Services, Miami-Dade County

Mr. James Kohnstamm, Executive Vice President, Economic Development, The Miami-Dade Beacon Council, Inc.

Camela Glean-Jones, Chief Financial Officer & COO, Finance & Administration, The Miami-Dade Beacon Council, Inc.

Marco Phanord, Director of Finance & Administration, The Miami - Dade Beacon Council, Inc.

**Report produced by the Office of the Commission Auditor**

Yinka Majekodunmi, CPA  
Commission Auditor  
Office of the Commission Auditor  
111 N.W. First Street, Suite 1030  
Miami, FL 33128  
(305) 375-4354

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