



OFFICE OF THE
COMMISSION AUDITOR

Agenda Item No. 14(B)(2)
December 12, 2023

M E M O R A N D U M

TO: Honorable Chairman Oliver G. Gilbert, III
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 large circular flourish underneath.

DATE: December 8, 2023

SUBJECT: Procurement Dashboard - Status Update

Pursuant to the June 21, 2023 Board of County Commissioners (BCC) amendment of Resolution No. R-718-17, the Office of the Commission Auditor (OCA) is directed to develop a dashboard for use by the BCC, with information relating to the County's monitoring of the performance of awarded contracts, planning for re-procurement and re-advertisement of contracts and prequalification pools for the purchase of goods and services that are subject to Board approval.

Attached to this memorandum is the **OCA Procurement Dashboard - Status Update** report, which provides a summary of the number of contracts, contract categories, preliminary process observations, and a recommendation that the BCC request an assessment of the capabilities of the system of record, the Integrated Financial Resources Management System (INFORMS).

This status update will be placed on the next available BCC agenda. Should you have any questions or need additional information, please contact me at (305) 375-4354.

cc: Honorable Mayor Daniella Levine Cava
Honorable Juan Fernandez-Barquin, Clerk of the Court and Comptroller
Office of the Mayor Senior Staff
Geri Bonzon-Keenan, County Attorney
Gerald K. Sanchez, First Assistant County Attorney
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OFFICE OF THE COMMISSION AUDITOR

OCA Procurement Dashboard -Status Update

December 8, 2023

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I. Purpose

Pursuant to the June 21, 2023 amendment of [Resolution No. R-718-17](#), the Office of the Commission Auditor (OCA) is directed to develop a dashboard for use by the BCC, with information relating to the County's monitoring of the performance of awarded contracts, planning for re-procurement and re-advertisement of contracts and prequalification pools for the purchase of goods and services that are subject to Board approval.

II. Scope

OCA's scope of research for this update encompasses the following:

1. The collection of data related to active and expiring contracts, including prequalification pools for the purchase of goods and services
2. A review of the County's contractual actions requiring BCC approval
3. An assessment of data sources that are available within the County's procurement process that can provide near real-time information on procurement transactions and activity.

III. Methodology

The OCA reviewed data for the County's active contracts, which includes contracts that expired in the past 24 months and contracts expiring in the next 24 months. Per the County's Integrated Financial Resources Management System (INFORMS), there are 1,480 active contracts as of October 3, 2023. OCA collaborated with the Strategic Procurement Department (SPD), which maintains ownership of the process and systems used during the central procurement lifecycle.

As a result of the data complexity, manual processes, risk of errors, and limited consistency associated with the BTS and INFORMS data, the number of contracts and their related dollar values are estimates.

IV. Summary of Contracts

OCA's review of procurement data resulted in the following observations:

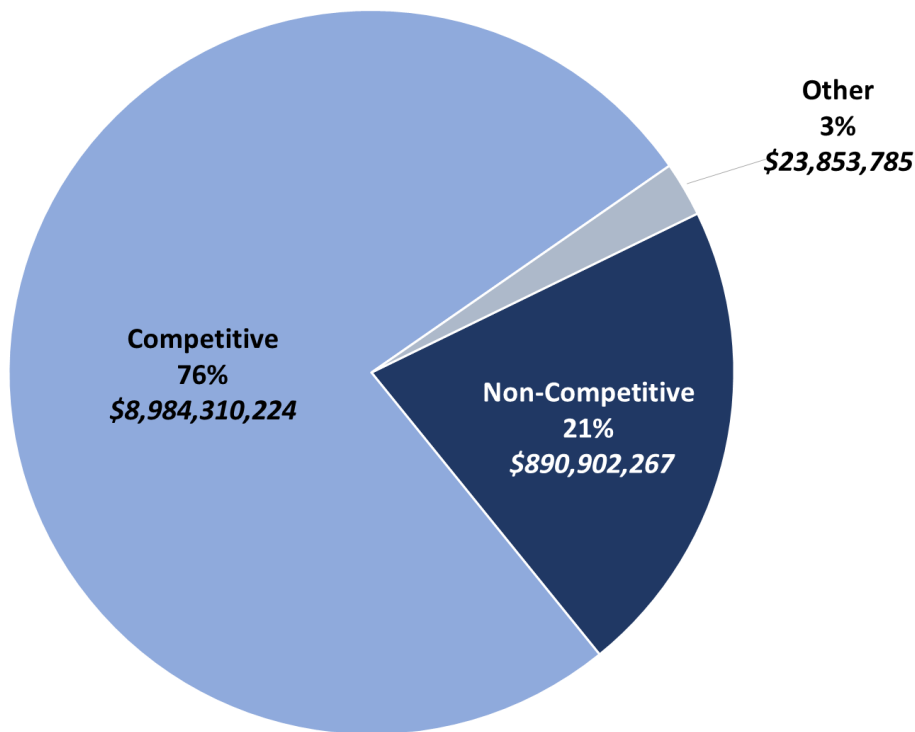
1. Of the 1,480 currently active contracts, the Strategic Procurement Department (SPD) identified 944 contracts as goods and services. **Table 1** summarizes the active contracts in INFORMS by type as either goods and services contracts, non goods and services contracts, or other. **Figure 1** summarizes the 944 active goods and services contracts by status as competitive, non-competitive, or other. The contracts referred to as "other" are contracts that SPD could not immediately determine their status as goods and services/non goods and services or competitive/non-competitive.

OCA estimates that over the period of November 1, 2021, to October 31, 2025, 1,072 unique contracts appear on the expiring or expired contract report.

Table 1: Active Contracts in INFORMS¹

INFORMS Contract Type	Active Contracts
Goods and Services Contracts	944
Non Goods and Services Contracts	394
Other	142
Total	1,480

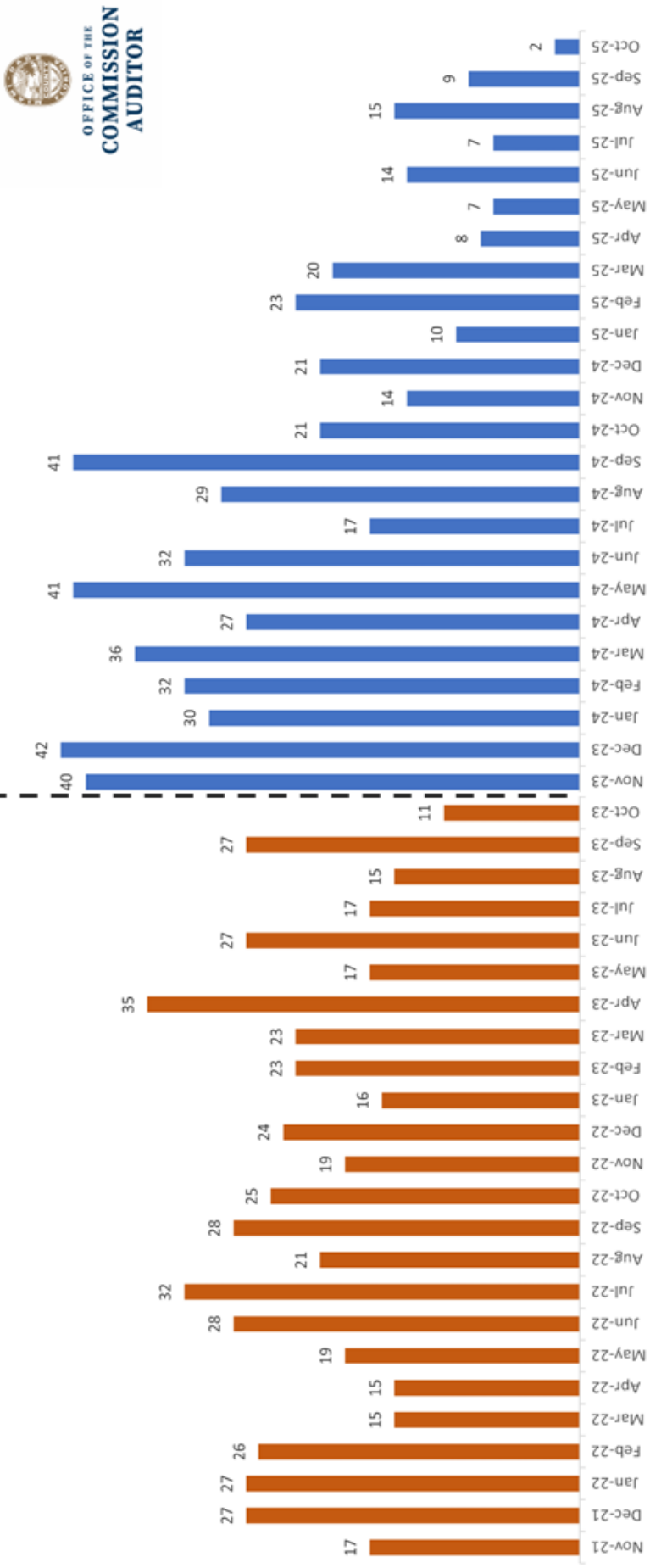
Figure 1: Active Goods and Services Contracts by Status as Competitive, Non-competitive, or Other¹



¹: Source: Data compilation of information provided by SPD in response to an OCA Notice of Inquiry on October 18, 2023, and the Integrated Financial Resources Management System, Supplier Portal, [View Awarded Contracts](#). Accessed October 3, 2023

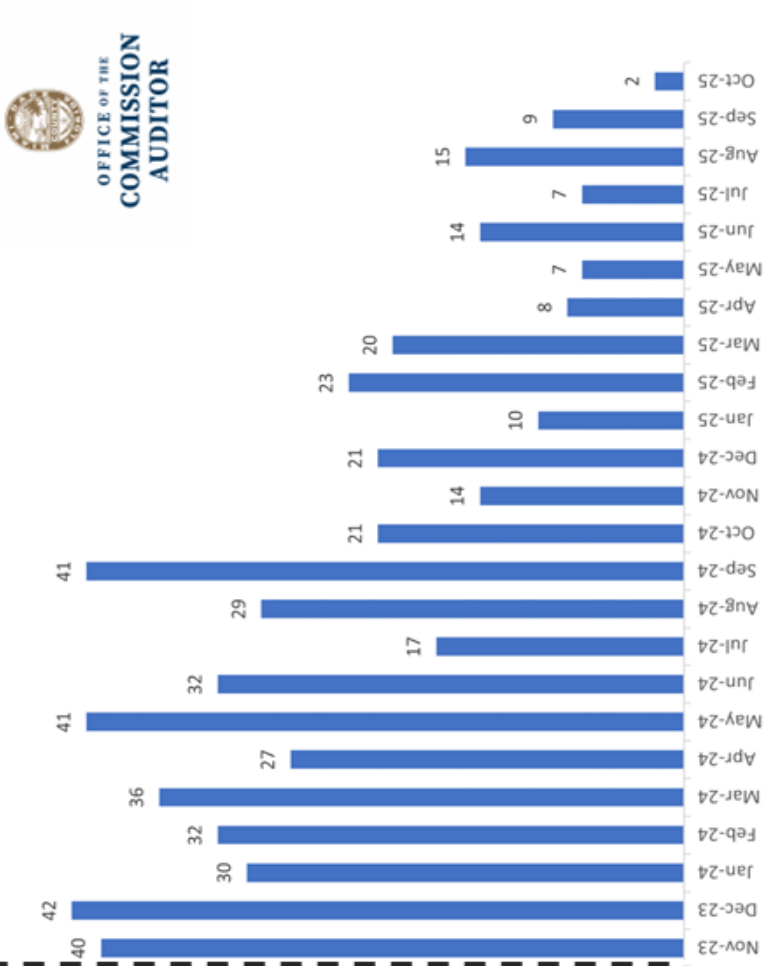
Figure 2: Overview of Expired (November 1, 2021 – October 31, 2023) and Expiring (November 1, 2023 – October 31, 2025) Contracts²

Unique Expired Contracts



Total Expired Contracts
534

Total Est. Dollar Value
\$ 2,588,238,650



Total Expiring Contracts
538

Total Est. Dollar Value
\$ 3,737,652,201



² Source: Miami-Dade County BID Tracking System, Queries, Expiring Contracts, and the Integrated Financial Resources Management (November 1, 2021 to October 31, 2023, and November 1, 2023 to October 31, 2025)

V. Summary of Observations

1. As it relates to the 24-month expired contracts reports for November 1, 2021 to October 31, 2023 (expired contracts report), and the 24-month expiring contracts reports for November 1, 2023 to October 31, 2025 (expiring contracts report), OCA observed that the BTS data (the internal tracking system) included 80 contracts not found in INFORMS (the system of record) for expired and expiring contracts. Following a response from SPD to an OCA Notice of Inquiry (NOI) issued on October 18, 2023, OCA noted that the County continues to use other internal tracking systems like BTS because INFORMS has been unable to fulfill some of the County's operational procurement needs post-implementation.
2. OCA observed that the INFORMS expiring contracts report does not provide updates on re-procurement and re-advertisement status. In response to an OCA Notice of Inquiry (NOI) issued on October 18, 2023, SPD identified BTS as the best source of real-time information for re-procurement and re-advertisement status. It was further noted that there is currently no automated notification system in place to notify stakeholders of contracts that will require action due to expiration.
3. OCA observed that the County currently does not have a centralized system that provides real-time insight into the current phase of re-advertisement or re-procurement (e.g., advertised, negotiations, board date for the award, etc.). Although the BTS provides some insight on re-procurement and re-advertisement, which indicates that a contract is being re-procured, re-advertised, or an OTR is being exercised, the reliance on this information should be limited due to its completeness and non-congruence with INFORMS.
4. OCA observed that Options to Renew (OTR)s embedded in the expired or expiring contracts data create duplications that impact the accuracy of contract quantification in the absence of a unique identification of the OTR terms. An OTR in a contract may be exercised when there is a continuation of need for the goods or services and such renewal is in the best interest of the County. The OCA manually adjusted the contracts in this report to avoid duplication when quantifying the contract's initial term versus the OTR. In **Example 1**, the four entries reflect one contract. For reporting purposes, in this instance, only the entry BW-10165-3(4) was used.

Example 1

Bid Number	Title	Effective Date	Expiration Date
BW-10165	CONSULTING SERVICES	08/02/2021	01/31/2022
BW-10165-1(4)	CONSULTING SERVICES	02/01/2022	04/30/2022
BW-10165-2(4)	CONSULTING SERVICES	05/01/2022	07/31/2022
BW-10165-3(4)	CONSULTING SERVICES	08/01/2022	10/31/2022

5. The OCA noted that OTRs will need to be reviewed and further filtered to determine applicability to the dashboard. If the administrative authority to exercise the available OTR was granted at award, the OTR is labeled pre-approved and would not be applicable to the dashboard. However, modifications to pre-approved OTRs and OTRs that are not pre-approved would need to be reviewed on a case-by-case basis to determine their relevance, which could vary based on contract style, dollar threshold, etc.

VI. Relevant Legislation

Table 3 outlines actions requiring BCC approval for goods and services contracts and the relevant legislation. The actions would determine the applicability of the goods and services contracts for the Procurement Dashboard.

Table 3: Legislations--Actions Requiring BCC Approval

Action	BCC Approval Needed	Legislation
Award or Reject Competitive Contracts	Approval required for values greater than \$1 million per	County Code Section 2-8.1
Bid Waiver, Sole Source Contracts, and other Non-Competitive Contracts	Approval required for values greater than \$250,000 per Require Mayor's recommendation to Board to waive competitive bidding	County Code Section 2-8.1 I.O. 3-38
Emergency Purchases	Ratification required for values greater than \$250,000	I.O. 3-38
Modifications to contracts	<ol style="list-style-type: none"> a. Contracts that were not competitively awarded and awarded under the County Mayor's authority (under \$250,000) - approval required when modification increases contract value to more than \$250,000 b. Contracts that were not competitively awarded and awarded by the Board (over \$250,000) - approval required when modification is more than 20% c. Competitively awarded contracts that were awarded under the Mayor's authority (under \$1 million) - approval required when modification increases contract value to more than \$1 million per d. Competitively awarded contracts that were awarded by the Board (over \$1 million) - approval required when modification is more than 20% 	I.O. 3-38
Contract Extensions	Over six months	I.O. 3-38

Miami-Dade County implemented the INFORMS Enterprise Resource Planning (ERP) system in April 2021, replacing the legacy financial and procurement systems. In response to an OCA Notice of Inquiry (NOI) issued on October 18, 2023, SPD revealed multiple systems and applications are being used to monitor contract performance and plan for re-procurement and re-advertisement of contracts and prequalification pools for the purchase of goods and services that are subject to board approval. These include, but are not limited to:

- INFORMS
- Bid Tracking System (BTS)/ Project Administration (PA)
- Monday.com
- Workload Management

VII. Recommendation

Information sourced from a single, integrated system of record, currently INFORMS, will improve data integrity, operational efficiency, assist internal stakeholders with contract management, and ultimately increase the quality of the future Procurement Dashboard

Due to the risk associated with the observations made, which include but are not limited to the manual processes used to collect data and the absence of a centralized system of real-time information, it is recommended that the BCC request an assessment of the feasibility of the system of record (INFORMS) to capture and synthesize the following critical operational data:

1. *Option To Renew Periods Available and Duration*
2. *Modified Contract Expiration Date if all Option to Renew Periods are Exercised*
3. *Available One Hundred-Eighty (180) Calendar Days Mayoral Extension Authority*
4. *24-month Re-Procurement/Re-Advertisement Date*
5. *Re-Procurement/Re-Advertisement Planning Actual Start Date*
6. *Re-Procurement/Re-Advertisement Status (e.g., allow to expire, completing market research, advertised, routed for board approval, etc.)*
7. *A contractual action need for board approval (e.g., awards, modifications, option to renew periods, etc.)*
8. *Identification of contracts as goods and services*
9. *Identification of contracts as competitive or non-competitive*

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The Office of the Commission Auditor, Miami-Dade Board of County Commissioners

The Office of the Commission Auditor (OCA) was established in September 2002 by Ordinance 03-2 to provide support and professional analysis of the policy, service, budgetary and operational issues before the Miami-Dade Board of County Commissioners. 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 status update is substantially less detailed in scope than an audit in accordance with the Generally Accepted Auditing Standards (GAAS). The 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.