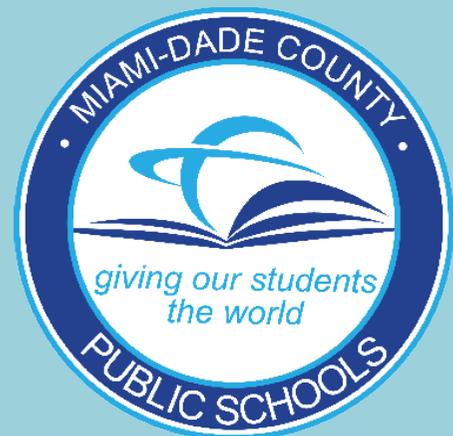


OFFICE OF THE INSPECTOR GENERAL

MIAMI-DADE COUNTY PUBLIC SCHOOLS

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2021 ANNUAL REPORT

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SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

Ms. Perla Tabares Hantman, Chairman, District 4
Dr. Steve Gallon III, Vice-Chairman, District 1
Dr. Dorothy Bendross-Mindingall, District 2
Ms. Lucia Baez-Geller, District 3
Ms. Christi Fraga, District 5
Ms. Mari Tere Rojas, District 6
Dr. Lubby Navarro, District 7
Dr. Marta Pérez, District 8
Ms. Luisa Santos, District 9

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Kionne L. Mcghee, District 9
Senator Javier Souto, District 10
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René Garcia, District 13
Daniella Levine Cava, Mayor



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Greetings from the Inspector General

I am pleased to present the Miami-Dade County Public Schools Office of the Inspector General's 2021 Annual Report. As I close my first year as Inspector General, I wish to acknowledge the encouragement and support of Chair Perla Tabares Hantman and the members of the School Board. I am also grateful for the continued support and cooperation of Superintendent Alberto Carvalho and his administration.

As we adapt to this new normal during this unprecedented time, the mission of the Office remains unchanged. We continue to work diligently to root out waste, fraud and abuse, and to provide the members of the School Board, the Superintendent, employees, parents and residents of Miami-Dade County with timely and valuable information to help make our schools better. The pandemic has not stopped us from doing our important work, however, it has caused us to adjust some of the ways we do our work. We've evolved from teleworking in early March of 2020, to a hybrid model of in-office and field work with an increase in teleconferencing and virtual meetings. Our efforts over the past several years to implement electronic business management systems allowed us to continue our work in a virtually paperless environment. This not only made us more efficient, but it also paved the way for the continuity of our operations while protecting our staff, other District employees, and the public during this time of social distancing. Consistent with our initiative, and as a cost-saving measure, this annual report is being issued in a digital-only format.

Our office continues to provide oversight of the General Obligation Bond program where I serve as an adhoc member of the GOB Advisory Committee. I have also been asked and have agreed to serve on the Secure Our Future Advisory Committee to monitor the use of funds generated from the 2018 referendum to improve compensation for teachers and increase school safety. We will continue our role as the recipient of whistleblower complaints making every effort to protect complainants from retaliation. We will continue our investigations and oversight activities with the goal of making actionable and reasonable recommendations that provide practical solutions to make our school system better. Finally, I want to thank the talented and dedicated investigators, auditors, contract oversight specialists, support staff and attorneys of the OIG. Their combined efforts produce the results that increase the public's trust.

Sincerely,



Felix Jimenez



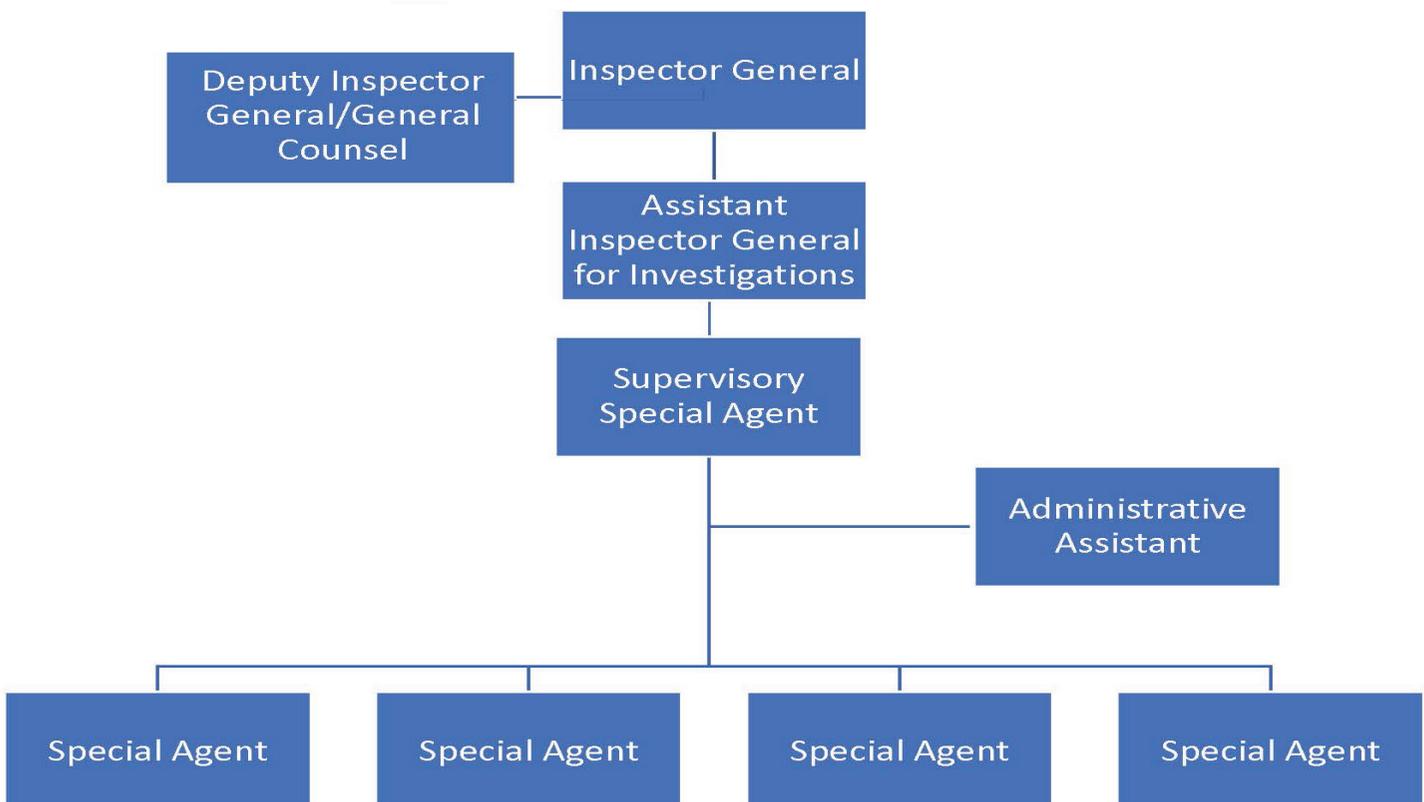
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MISSION STATEMENT

Detecting, investigating and preventing fraud, waste, mismanagement, and abuse of power within the school district.

TABLE OF ORGANIZATION



THE MIAMI-DADE COUNTY PUBLIC SCHOOLS OFFICE OF THE INSPECTOR GENERAL

The Miami-Dade County Public Schools Office of the Inspector General (M-DCPS OIG), through independent oversight of School District affairs, detects, investigates and prevents fraud, waste, mismanagement, misconduct and abuse of power. The organization and administration of the M-DCPS OIG is independent to assure that no interference or influence external to the Office adversely affects the objectivity of the M-DCPS OIG.

The Inter-Local Agreement (ILA) between the School Board of Miami-Dade County and Miami-Dade County, initially executed in 2007, authorizes the operation of the M-DCPS OIG. The ILA sets forth the responsibilities, functions, authority and jurisdiction of the M-DCPS OIG.

The M-DCPS OIG promotes accountability, integrity and efficiency through its efforts in conducting audits, investigations and oversight activities of School District employees, contractors, projects and programs. All case assignments are conducted with the goal of improving the School District's performance.

We are pleased to submit this annual report, summarizing M-DCPS OIG activities during the past fiscal year (July 1, 2020 - June 30, 2021). The publication of this report provides an opportunity to share the past year's accomplishments and fulfills the reporting requirements of the ILA.

The M-DCPS OIG is staffed with an on-site Supervisory Special Agent, four full-time Special Agents, and an Administrative Assistant. The supervision of the M-DCPS OIG falls directly under the Assistant Inspector General of Investigations for Miami-Dade County. As needed, Miami-Dade County OIG personnel will supplement the M-DCPS OIG staff by providing legal, audit, and contract oversight assistance. This is in addition to the managerial and executive decisions, which by nature of the ILA, are performed by the County's Inspector General and his Executive Team.

The M-DCPS OIG's office is located on the third floor of the Annex Building of the School Board Administrative Complex, at 1501 NE Second Avenue, Suite 343, Miami, Florida.

THE MIAMI-DADE COUNTY OIG EXECUTIVE TEAM

Inspector General Felix Jimenez is the head of the organization; his Executive Team includes Deputy Inspector General/General Counsel Patra Liu, Assistant Inspector General for Investigations Hector Ortiz, Deputy General Counsel Marie Perikles and Director of Data Analytics James Schlotzhauer.

Assistant Inspector General for Investigations Hector Ortiz leads the MDCPS SB Investigations Unit, as well as the Investigations Unit for the County. The Miami-Dade County OIG Investigations Unit consists of three squads of experienced Special Agents supported by a team of skilled Investigative Analysts. When investigations of fraud, waste and abuse of authority reveal criminal wrongdoing, the Assistant Inspector General for Investigations coordinates with state and federal criminal prosecutors to shepherd OIG cases to a successful legal resolution. Ms. Liu also manages the Legal Unit with Deputy General Counsel Marie Perikles which consists of three additional attorneys. The Legal Unit provides continuous support and guidance to all OIG personnel from the moment a complaint is received to case closure, which oftentimes involves the issuance of public reports and memoranda. OIG attorneys provide counsel on jurisdictional questions and help assess the strengths and weaknesses of OIG cases for potential civil, administrative or criminal implications. OIG attorneys review all subpoenas issued by the Inspector General, and all public reports prior to release.

Ms. Liu also manages the OIG's Contract Oversight and Audit Units. Four Contract Oversight Specialists are deployed countywide. Their work includes active monitoring and random inspections of contracting and construction activities to ensure fairness in the procurement process and compliance with contract specifications. The Audit Unit consists of a team of certified professionals with a wide range of government and private sector experience. Ms. Liu formulates the OIG's annual Strategic Work Plan and oversees audits, inspections and reviews. The Audit Unit frequently coordinates with the Investigations Unit and/or Contract Oversight Unit. All three units work together to advance the mission of the Office. Investigative, Audit, Contract Oversight and Legal staff from the Miami-Dade County OIG work jointly with M-DCPS OIG as needed. In accordance with the ILA, all services that Miami-Dade County OIG provides to the School District are billed on a quarterly basis.

As the Director of Data Analytics, James Schlotzhauer has the primary responsibility to ensure the alignment, development and integration of data analytics, business intelligence and artificial intelligence necessary to support the mission, vision, strategies, objectives and goals of the OIG. Mr. Schlotzhauer organizes and assembles resources necessary to address the current and future analytical needs of the OIG.

M-DCPS OIG BUDGET AND STAFFING LEVELS

The School Board funds the M-DCPS OIG annually to provide inspector general services to the School District. All personnel costs are funded under an annual budget allocation. For the 2020-2021 fiscal year, the School Board approved M-DCPS OIG's budget at \$860,892 to cover operating needs and personnel staffing. The ILA between the School Board and Miami-Dade County, enables OIG staff to work closely with the M-DCPS OIG employees. Under the ILA, the Miami-Dade County Inspector General is appointed Inspector General for the School District. Miami-Dade County staffing services provided to the School District are reimbursed under the terms and conditions of the ILA. The M-DCPS OIG employees are all contracted managerial exempt personnel and serve at the will of the Inspector General. The Inspector General and his Assistant Inspector General directly oversee all operations of the M-DCPS OIG.



WELCOMING RETURNING SPECIAL AGENT TO THE M-DCPS OIG TEAM



Special Agent Archie Moore was a member of the School Board OIG from 2014 until 2017. He rejoined the team in February 12, 2021 already having a good understanding of M-DCPS OIG operations, policies, and procedures, thereby enabling him to “hit the ground running.” He is a highly skilled law enforcement professional with over 35 years of law enforcement experience with the Fort Lauderdale Police Department, Miami-Dade Police Department, and the Florida Division of Alcoholic Beverages and Tobacco.

Special Agent Moore is trained in all aspects of specialized criminal investigations and has over 30 years of experience working homicide investigations, police-involved shootings, public corruption cases, staff inspections and internal affairs investigations. Special Agent Moore also has 12 years of supervisory investigative experience, handling and supervising major case investigations. Special Agent Moore received a Bachelor of Arts in Criminal Justice from St. Thomas University in Miami, Florida. Special Agent Moore also has two master’s degrees, one in Business Administration (MBA) and the other in Accounting (MACC) from Nova Southeastern University. Special Agent Moore also attended the Association of Inspectors General Institute and is a Certified Inspector General Investigator. Welcome back Archie!

COMPLAINTS ARE THE KEY

The majority of cases opened each year stem from complaints submitted to the M-DCPS OIG by School District employees, vendors, parents and other concerned citizens. Other cases result from ongoing investigations and audits. We strive to provide a voice to all complainants. Complaints involving personnel matters and other similar issues, as well as matters beyond the M-DCPS OIG's jurisdiction, are referred to the appropriate parties. The M-DCPS OIG addresses every complaint, either through an investigation, audit, review or referral.

INTAKE AND PROCESSING COMPLAINTS

The M-DCPS OIG receives complaints by mail, via our website, through the OIG fraud hotline and in person. All complainants can be assured that investigators are trained to maintain the confidentiality of the information provided and ensure the confidentiality of the complainant's identity pursuant to applicable laws and policies. The M-DCPS OIG logs each complaint received, and each complaint undergoes a review process to determine jurisdiction and the action warranted. Based on the subject matter and the specificity of the information received, some complaints will result in the M-DCPS OIG initiating an investigation, audit or review. Other complaints may be determined to be more appropriately addressed by the Administration or by another governmental agency. In the case of most referrals, the receiving agency is requested to provide the M-DCPS OIG with its findings.

In accordance with Section 3(h) of the ILA, the M-DCPS OIG is the School District's designee for purposes of receiving Whistleblower Act disclosures under Florida Statutes, Section 112.3187(7). Whistleblower disclosures are those disclosures that allege violations or suspected violations of law, rule or regulation that endanger health and public safety or allegations of gross mismanagement, malfeasance, misfeasance, gross waste of public funds or gross neglect of duty by persons in an agency or independent contractors. Any individual who makes such a disclosure is entitled to have his/her identity kept confidential pursuant to state law. Except for those complaints received anonymously, complainants are advised of the disposition of their complaints.

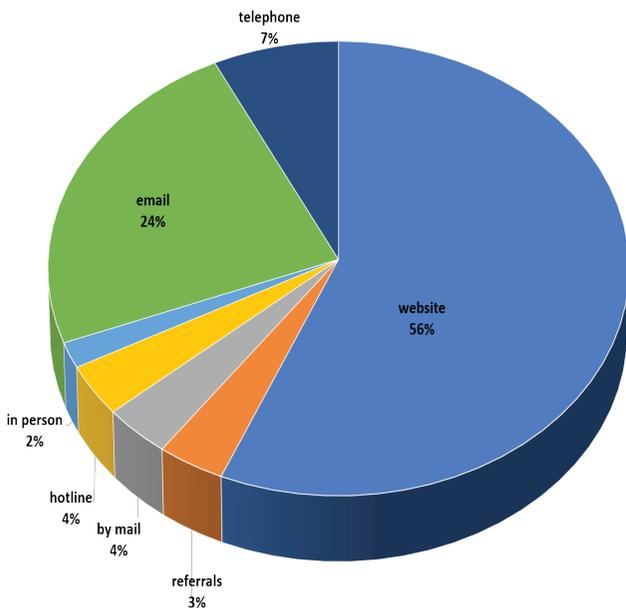
During FY 2020 - 2021, the M-DCPS OIG received 55 complaints in the following ways:

- 31 via OIG website
- 13 email
- 4 telephone
- 2 through a referral
- 2 through the OIG hotline
- 2 by mail
- 1 in person

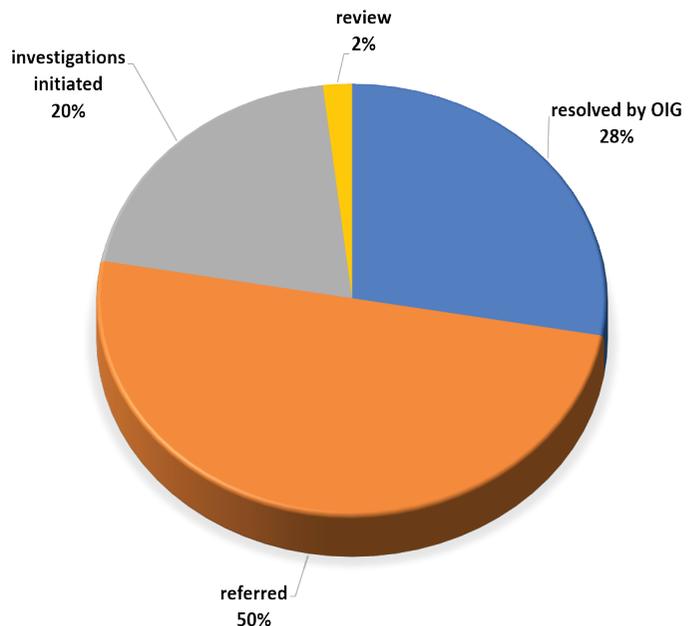
Of the complaints received, fifteen (15) were resolved by M-DCPS OIG without need for further inquiry; twenty-seven (27) were referred to various agencies within the School District, eleven (11) resulted in the initiation of an investigation and two (2) resulted in preliminary inquiries. The M-DCPS OIG also initiated two (2) background investigations and one (1) review.

To properly account for all referrals, the M-DCPS OIG maintains a log of the complaints routed to the administration and closely monitors responses. Based on the responses received, the M-DCPS OIG may close the complaint, return it to the administration for additional clarification or open our own investigation into the matter, provided we have jurisdiction. Throughout the year, M-DCPS OIG Special Agents continue to be engaged in ongoing investigations that were opened during prior fiscal years and have not reached conclusion.

NUMBER OF COMPLAINTS RECEIVED FY 2020-2021



DISPOSITION OF COMPLAINTS RECEIVED FY 2020-2021



INVESTIGATIVE HIGHLIGHTS

The M-DCPS OIG conducts criminal and administrative investigations of fraud, waste, abuse and misconduct related to School District programs, operations, contracts and employees. M-DCPS OIG Special Agents have a wide variety of experience from law enforcement and regulatory agencies. They are well trained in white collar crime, financial fraud and public corruption investigations. The M-DCPS OIG coordinates with the Miami-Dade State Attorney's Office and other law enforcement authorities to leverage resources and fraud-fighting efforts. Our investigations often lead to criminal cases and/or administrative reports with recommendations and monetary recoveries.

The OIG's Analyst Unit provides investigative support, including intelligence gathering and analytical support, to the M-DCPS OIG upon request. OIG Investigative Analysts are dedicated to maintaining relationships with organizations such as the Financial Institution Security Association and the Florida Department of Law Enforcement. The analysts also manage the OIG Hotline that allows the public, stakeholders and others to report suspected fraud, waste and abuse.

During this past fiscal year, numerous administrative investigations were completed pertaining to allegations of services provided by unlicensed contractors, falsification of financial statements, inappropriate use of CARES Act funding, payroll falsification, fraud and mismanagement. The M-DCPS OIG also opened investigations during the year that remain ongoing. These cases will be reported, when completed, in subsequent annual reports.

A summary of these investigations follow in the next few pages.



Miami-Dade County Public Schools Driver Education Program



The M-DCPS OIG received a complaint alleging that since 2003, the School Board has received over \$15 million dollars of funding from the Dori Slosberg Driver Education Safety Act (Dori Slosberg Act), and the funds were being used improperly. The complainant explained that the funds are generated from an additional \$3.00 added to each traffic citation issued in Miami-Dade County (County) and are supposed to be used for the enhancement of the M-DCPS Driver Education Program (DEP). The com-

plainant also alleged M-DCPS had misrepresented, in an Interlocal Agreement (ILA) with the County, the number of schools that provided both classroom and behind-the-wheel instruction to students, as required by Florida Statutes and County Ordinance to receive funds pursuant to the Dori Slosberg Act. In fact, the complainant stated that several schools listed in the ILA as providing driver education, did not offer any form of driver education at all and only six high schools provided the necessary classroom and required behind-the-wheel driving courses taught by certified instructors.

The OIG investigation found that M-DCPS administrators knowingly submitted ineligible expenses for reimbursement from the County's Drivers Education Safety Trust Fund, which was created to receive funds pursuant to the Dori Slosberg Act. M-DCPS OIG Special Agents determined that M-DCPS was overpaid a total of \$6,281,814.74 of ineligible expenses, which it claimed for FY 2011-12, FY 2012-13, FY 2013-14, and FY 2015-16. These reimbursements were deposited into the M-DCPS general funds account and were used to offset the ineligible expenses and not to enhance the Driver Education Program, as required. Instead, the Driver Education program was allowed to deteriorate for years with old cars, non-DEP certified teachers and a minimal number of driving ranges.

In 2002, the Florida legislature passed the Dori Slosberg Act allowing a board of county commissioners to enact an ordinance requiring the clerk of the court to collect an additional \$3.00 with each civil traffic penalty to be used to fund traffic education programs in public and non-public schools. From its inception, the state required the funds to be used for direct educational expenses and not for administrative expenses.

After various amendments, the statute made clear that the funds were to be used for enhancement of the driver education program and not replacement of other driver education program funds. Furthermore, in order to receive any funds, the statute also required that a minimum of 30 percent of a student's time be behind-the-wheel instruction.

The Miami-Dade Board of County Commissioners (BCC) immediately adopted an ordinance known as the Drivers Education Safety Trust Fund (Trust Fund) and instructed the County's Clerk of the Court to collect the additional \$3.00 with each civil traffic penalty to fund driver education programs, pursuant to the Dori Slosberg Act.

For M-DCPS to qualify for funding under this Trust Fund it had to meet specific criteria established by the ordinance and County resolutions supporting the ordinance. The M-DCPS OIG investigation revealed that M-DCPS administrators knowingly claimed that 36, and later 37, schools qualified for reimbursement of expenses under the Trust Fund, when only six schools actually met the specific criteria established.

The M-DCPS OIG Special Agents conducted numerous interviews including interviews of teachers in the Driver Education Program. The DEP program was in such deterioration, that one teacher brought their own personal video game console and small steering wheel in order for the students "to drive some kind of way." Other teachers paid for gasoline out of their own pockets and got to school early to charge the batteries on the cars to ensure they would start. Another teacher inserted a stick in the shift column so students could shift gears, and yet another used an electric golf cart.

The M-DCPS OIG investigation also revealed additional areas of concern, such as M-DCPS failing to provide Adaptive Driver Education services to disabled students since December 2015, in violation of the Individuals with Disabilities Education Act. The teacher providing the instruction to disabled students retired on November 30, 2015, and was never replaced. Additionally, M-DCPS did not adequately provide Driver Education opportunities for private school students, which was also required by County Resolutions and the ILA between the County and M-DCPS.

The M-DCPS OIG provided several recommendations for both the School Board and the County's consideration. While some recommendations address M-DCPS' operation of its DEP, the OIG strongly urged both governmental entities to come together to address the \$6.2 million overpayment to M-DCPS. Further the two entities are encouraged to shape how future potential disbursement of Trust Fund proceeds might be structured to ensure that the proceeds are used to enhance the District's statutory obligation to provide driver education as intended by the Dori Slosberg Act. The District accepted all of the M-DCPS OIG's recommendations and is in the process of implementing them, as outlined in the M-DCPS OIG report. The District will keep the OIG informed as to its progress and the M-DCPS OIG looks forward to reporting its status in its next annual report.

In closing, a properly managed M-DCPS DEP available to all public high school and non-public high school students (including students with disabilities), with certified teachers, working cars, driving ranges, and up-to-date curriculum, would highly benefit students, parents, and all residents of Miami-Dade County.

Review of K12's \$1.57 Million Donation to the Foundation of New Education Initiatives, Inc. (FNEI)



On September 16, 2020, the M-DCPS OIG initiated a review of the transfer of \$1.57 million from K12 Florida, LLC (K12), a virtual instruction provider, to FNEI, a District direct support organization. The OIG began the review based on the School Board's discussion two days earlier, revealing that M-DCPS officials had solicited K12's donation and the funds were slated for disbursement by FNEI to M-DCPS teachers in the form of \$100 gift cards. At the time the donation

was solicited, M-DCPS was two days away from the start of the 2020-2021 school year utilizing a districtwide online temporary learning management system (LMS) provided by K12. Moreover, the \$15 million contract for the K12 temporary LMS was pending the Superintendent's final execution.

The OIG sought to determine how the donation came about and whether the solicitation of the donation from a vendor pending execution of a contract created violations or prohibited conflicts of interest pursuant to the State's Conflict of Interest and Code of Ethics Statutes and School Board Policies. The OIG found that in the summer of 2020, as the COVID-19 pandemic progressed, M-DCPS administrators sought a temporary LMS for the upcoming 2020-2021 school year. The specifications of the temporary LMS could not be determined until the publication, on July 6, 2020, of the State's guidance to Florida's School Districts regarding education requirements and funding for the 2020-2021 school year.

M-DCPS administration, sought to select a temporary LMS provider that could meet the State's requirement that both online students and physically present students be taught the same curriculum. Through a statutory exemption in the competitive procurement process, K12 was selected as the vendor for a temporary LMS, specific to the 2020-2021 school year. M-DCPS and K12 had a mere six weeks to produce the fully functioning temporary LMS and set up the system in time for the first day of school. The process was riddled with implementation issues from the beginning. The issues included delays in the integration of the systems, training, and, more importantly, the ability of the teachers to enter their class rosters in the system. Although K12 had executed the contract and M-DCPS senior staff had reviewed and signed it, the Superintendent halted the final execution of the contract.

Despite not having a fully executed contract, M-DCPS and K12 advised the OIG that they continued to work to resolve the problems with the goal of having a functioning temporary LMS by the first day of school. On the Saturday before the start of school, it was clear that due to the system issues preventing teachers from loading required content into the program, some teachers would be working over the weekend to prepare for the start of the school year. That 11th hour exasperation, which was the culmination of much frustration during the 6-week process, resulted in an M-DCPS administrator suggesting to the Superintendent that K12 should do something in recognition of the teachers. The Superintendent concurred and solicited K12 to provide a benefit for the teachers. K12 agreed to provide \$100, to be given as gift cards, to the M-DCPS classroom teachers. The distribution of the \$100 gift cards would be facilitated through a \$1.57 million donation to FNEI, which would have to purchase and distribute the gift cards.

The OIG examined Florida statutes and School Board policies to determine if a violation occurred based on the solicitation of funds from a vendor, for the benefit of other M-DCPS employees. The OIG examined Section 112.3148, Florida Statutes, which prohibits the solicitation of gifts from vendors by public officials who are required to file financial disclosures or who have procurement responsibilities, for the benefit of those officials or others that are required to file financial disclosures. No violation was found, because teachers—the intended gift recipients—are not required to file financial disclosures pursuant to the Florida Code of Ethics for Public Officers and Employees. The OIG examined several other Code of Ethics and School Board policy provisions. The facts elicited during the review did not support any finding that the code provisions or policies reviewed were violated.

While the solicitation may have been ill considered, the OIG's review found no wrongful intent. Lastly, the review of this matter analyzed School Board Policy 1210.01. This policy, which is part of the School Board's Code of Ethics, exceeds the prohibitions found in the State's Code of Ethics. Locally, M-DCPS employees should avoid the appearance of impropriety. The appearance of impropriety is present when, as in this instance, a vendor is solicited. K12 was not only pending the execution of the contract but was also an active vendor providing services to M-DCPS under a separate contract. Such an appearance is clearly created when a public official solicits a benefit for his or her employees, regardless of whether those employees are required to file annual financial disclosures. Here it was a monetary benefit of \$100 per classroom teacher. There is no doubt that this solicitation for gifts totaling over \$1.5 million on the eve of the temporary K12 LMS go-live and with an unsigned contract hanging over it created an appearance of impropriety. K12 transferred the funds to FNEI at the direction of M-DCPS administrators.

The OIG found no actual violations of the prohibitions defined by the State's Code of Ethics and the corresponding School Board policies. The School Board Code of Ethics, however, goes beyond those prohibitions, exhorting employees to avoid the appearance of impropriety. The solicitation of a donation from a vendor goes against that exhortation. The vendor, K12, had a contract pending final execution, and an existing contract

with a term of years remaining. Although the intent may have been honorable from both the vendor and the M-DCPS administration, such appearances must be avoided to ensure the continued trust in the accountability, ethics, and transparency of public officials and their actions.

The OIG made several recommendations to FNEI to ensure that solicitations or the acceptance of donations from donors with current M-DCPS contracts are truly arms-length, do not raise the appearance of impropriety, do not create an actual conflict of interest, and to promote greater independence and separation from M-DCPS. The OIG also recommended that FNEI return the donation to K12. While, FNEI has made, or is in the process of making, the changes suggested by the OIG, the FNEI Board voted to accept the donation and disburse the funds as \$100 gift cards to the teachers.

The School Board recognized the appearance created and the potential conflict of soliciting a donation from a vendor pending contract award and took immediate action amending its policies. The School Board also fully embraced the OIG recommendation to protect the integrity of the procurement process and the good purposes of FNEI by amending its policy relating to Direct Support Organizations.

Unlicensed Waste Contractor Providing Services at Seven Public Schools in the City of Miami Beach

The City of Miami Beach Office of Inspector General (Miami Beach OIG) sent a letter to the M-DCPS Superintendent informing him that an M-DCPS solid waste contractor was operating in the City without a license and had failed to remit sanitation taxes lawfully imposed by the City. The M-DCPS OIG was copied on the letter. The Miami Beach OIG's letter advised that during a regularly scheduled sanitation tax audit, it became aware of the solid waste contractor's agreement with M-DCPS, which provides for the solid waste contractor to dispose of solid waste materials at seven schools in the City. The OIG assisted the Miami Beach OIG with the acquisition of documents from M-DCPS. The M-DCPS OIG also conducted a review of the M-DCPS and solid waste contractors agreement to ensure that M-DCPS was not responsible for any monies owed to the City of Miami Beach.

The Miami Beach OIG audit revealed that the solid waste contractor was unlicensed to provide services in the City, as it did not have a franchise waste contractor license. Chapter 90 of the Miami Beach City Code requires a franchise waste contractor to be licensed by the City in order to provide such services within the City limits. The Miami Beach OIG audit also found that the solid waste contractor failed to remit sanitation taxes to the City. The solid waste contractor has since complied with the City's licensing requirements and promptly paid all outstanding taxes and fees owed.

The M-DCPS OIG verified that the solid waste contractor is an approved vendor on two M-DCPS contracts, which provide for the disposal of solid waste materials from seven public schools in Miami Beach.

The Miami Beach OIG provided a copy of its audit report, which concluded that the solid waste contractor owed the City \$113,586 in unpaid fees (inclusive of penalties and interest). The solid waste contractor cooperated fully with the audit, promptly paid the fees and obtained the required Business Record Tax License.

The M-DCPS OIG also concluded that M-DCPS was not responsible for any monies the solid waste contractor owed the City. Pursuant to Section 2.2.11, of the contracts, the solid waste contractor was responsible for obtaining and paying for all licenses, complying with all federal, state, and local laws, and paying all taxes and fees.

Allegations by DSO Accounting Consultant That He was Pressured to Produce Improper Financial Statements



The M-DCPS OIG received a complaint from the Accounting Consultant/Bookkeeper for one of the District's Direct Support Organizations (DSO). A DSO must meet certain criteria pursuant to Florida law. The criteria include: approval by the School Board; incorporation as a not-for-profit; and that it be organized and operated exclusively to receive, hold, invest and administer property and to make expenditures to or for the benefit of public kindergarten through

12th grade education, adult career, technical and community education programs in the school district.

The complainant alleged that he was being pressured to produce financial statements that were not in accordance with Generally Accepted Accounting Principles (GAAP); and that he believed an associate superintendent intended to make him and the DSO's executive director the "scapegoats" for the failure of the K12 virtual learning platform and the acceptance of a donation from the vendor.

The allegation that the complainant was asked to produce financial statements that were not in accordance with GAAP was unsubstantiated. After consultation and review with an OIG Auditor/CPA, the M-DCPS OIG determined that asking for interim financial statements did not violate GAAP. Interim financial statements are financial statements that cover a period of less than one year. They are used to provide an overview of the organization's financial performance before the end of the financial reporting period. In addition to this, the interim financial statements for the same months were produced in 2019 by the former CPA for the DSO, further supporting that this action is an acceptable practice.

The allegation that the complainant and the DSO's executive director would be used as "scapegoats" for the acceptance of the donation was unfounded. The M-DCPS OIG found no evidence to support the allegation and the complainant admitted it was pure speculation on his part.

Investigation Determines CARES Act Funding for Classroom Supplies was Used Appropriately

The M-DCPS OIG initiated an investigation based on a complaint alleging that supplies purchased through the CARES Act Florida Teacher Supply Assistance Program were being diverted by members of a school's administrative staff.

The program provided funding of up to \$175 per teacher to purchase coronavirus supplies for their classrooms. These supplies consisted of gloves, face masks, face shields, wipes, hand sanitizers, and air purifiers. The confidential complainant alleged that in January 2021, several teachers at an elementary school ordered coronavirus supplies and later learned from another employee that the supplies had been received but were taken by the school's administrative staff.

During this inquiry, the OIG obtained and reviewed the purchase orders for the supplies ordered and the invoices received by the school. The OIG located the supplies, which had been secured in storage areas at the school site. The supplies consisted of boxes of vinyl gloves, disposable masks, face masks, disinfecting wipes, hand sanitizers, rolling sneeze guards and air purifiers. The M-DCPS OIG verified the supplies, comparing the purchase orders to the school invoices.

The allegation that there was fraud in the use of CARES Act funding was unfounded. The inquiry confirmed that the teachers ordered coronavirus supplies, and the supplies were delivered by the school district's procurement warehouse in February, March, and April 2021. The principal confirmed that the coronavirus supplies were ordered and received at the school, but distribution had been delayed. Subsequent to the M-DCPS OIG's inquiry, teachers were notified to pick up their supplies.



Payroll Clerk Allegedly Falsifying Payroll Sign-in Sheets

An anonymous complainant contacted the M-DCPS OIG alleging that a payroll clerk forged the initials of a school counselor onto the payroll sign-in/out sheets. Specifically, the complainant alleged that the payroll clerk entered the falsified information into the payroll system indicating that the counselor worked each of the days in question when the counselor was actually out on vacation. According to the complainant, Administrators knowingly approved the payroll with the false entries. Additionally, the complainant alleged that the payroll clerk had a felony criminal history which precluded her from employment at a Miami-Dade County school.

The investigation revealed the counselor had worked on the accreditation for the Council on Occupational Education (COE) and received compensatory time for the extra hours worked on that project. The counselor used the compensation time for her vacation. The former vice principal instructed the payroll clerk to write the school counselor's initials on the payroll sheets, contrary to School Board policies on reporting compensatory time use. The payroll clerk stated she followed the vice principal's instructions, and later learned that his instructions did not comply with the established School Board policies for using and reporting compensatory time. Once the principal discovered the error, he immediately had the payroll entries and time sheets corrected and counseled the vice principal for not following proper payroll procedure. Although the investigation found that the payroll clerk made improper entries on the payroll sheets, there was no evidence of a monetary loss to M-DCPS, nor of intent to defraud.

The allegation that the payroll clerk had a felony criminal history that precluded her from employment at a Miami-Dade County school was unfounded. The OIG found no evidence of a criminal history for the payroll clerk that would preclude her from employment by M-DCPS.

Allegation of Payroll Fraud at an Adult Education Center

The M-DCPS OIG investigated a complaint that an Adult Education Center's budget expenditure report showed an expenditure for a school security monitor's salary, but no security monitor was on duty.

The M-DCPS OIG conducted a thorough review of M-DCPS district records for occupied and vacant, full-time, and part-time, school security monitor and security specialist positions at the Adult Education Center. The review determined that there were no full-time school security monitors or security specialists working at the Center.

The inquiry revealed that the expenditure reported by the confidential complainant were pay adjustments given to three former school security monitors, who worked at the Center during the 2019-2020 school year.

Allegation of Fraud and Mismanagement at an Elementary School

The M-DCPS OIG investigated a complaint from a concerned parent alleging an elementary school principal was stealing and mishandling the school's funds. It was also alleged that the elementary school lacked books, materials, adequate programs, food for extended days, and tutors.

The M-DCPS OIG found the Office of Management and Compliance Audits had completed an audit finding that the financial records for the school were in good order and maintained in accordance with prescribed policies and procedures. Moreover, the M-DCPS OIG found no evidence to suggest that the principal was stealing any funds.

The M-DCPS OIG investigation determined the school's textbook inventory meets Florida State standards, and the school purchased additional supplemental materials as necessary to meet the needs of their students.

The M-DCPS OIG learned that the school participates in the Fresh Fruit and Vegetables Program, as well as the Extended Snack Program. The menus for both programs are provided through the School District's Department of Food and Nutrition for extended school day hours. Snacks are given to students every day (including early dismissal Wednesdays). Cafeteria staff prepare individual snack bags for each student and assemble them according to class counts. A security monitor retrieves the bags from the cafeteria and delivers them to the classrooms. Teachers designate time for students to eat their snacks during class since the students are not allowed to take them away from campus.

Lastly, the complainant was correct that the elementary school does not have tutors assigned to the classrooms. Instead, the OIG learned the school has four Interventionists to assist the teachers in the classroom. The interventionists' duties include, but are not limited to, monitoring the students' progress; observing interactions of students as a part of an intervention group; suggesting appropriate adjustments to maximize learning environment through student group configuration; and working with identified at-risk students to deliver small-group interventions.

The Ethics Advisory Committee (EAC) and the Miami-Dade County Office of the Inspector General (M-DCPS OIG)

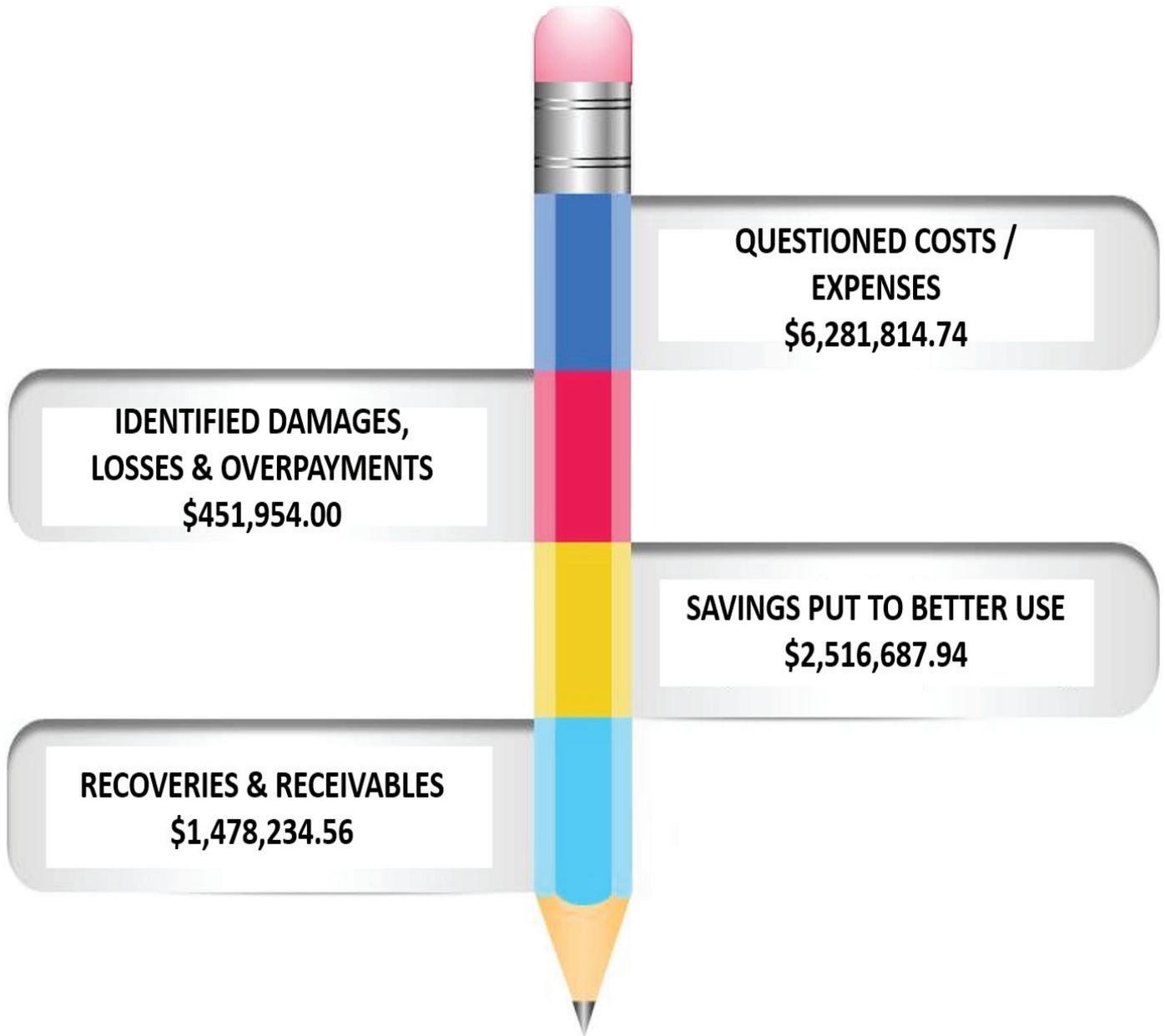
The M-DCPS OIG attends all Ethics Advisory Committee (EAC) meetings and presents its investigative reports, reviews, and annual reports. Comprised of five prominent community members, Chairman Donald Slesnick, Frank Silva, Dr. Laura Kohn Wood, Dr. Ursula Wright, and Sharon Watson, the committee is regularly attended by one or more board members (or a staff delegate), and a representative from the School Board Attorney's Office.

It is with deep sadness that we recognize the passing of The Honorable Gerald Kogan, one of the original members of the committee. His knowledge, commitment, and concern that the committee diligently advise the School Board to adhere to the highest ethical standards will surely be missed.

The EAC met on April 29, 2021, during the 2020-2021 school year. At that meeting the M-DCPS OIG presented its annual report highlighting areas that may be of interest to the committee. More recently, at its meeting of October 7, 2021, the M-DCPS OIG presented its final reports regarding the solicitation of K12, an M-DCPS vendor, and the Driver Education Program. Pursuant to the School Board Policy establishing the EAC, the committee is charged with receiving and reviewing all M-DCPS OIG reports to monitor the District's corrective actions as recommended by the M-DCPS OIG.

The M-DCPS OIG looks forward to its continued relationship with the EAC and strongly supports its role in helping to ensure ethical governance.

Financial Impact To Date



We are Committed to Providing Oversight to the 4th Largest School District in the Nation

| | |
|--------------------------------|-----------------|
| M-DCPS Budget in 2020-2021 | \$5,633,508,929 |
| M-DCPS OIG Budget in 2020-2021 | \$860,892 |
| \$ Paid to Vendors | \$1,333,377,018 |
| # of Vendors | 4,989 |
| # of Students | 334,400 |
| # of Public Schools | 343 |
| # of Charter Schools | 139 |
| # of Employees | 36,279 |

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