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Office of Management and Compliance Audits

**SUBJECT: INTERNAL AUDIT REPORT – FOLLOW-UP ON TWO PERFORMANCE AUDITS: AUDIT OF THE DISTRICT’S SELF-INSURED HEALTHCARE PROGRAM, AND AUDIT OF THE DISTRICT’S PROCUREMENT OPERATIONS: SOLICITATION, SELECTION, AND AWARD PROCESSES**

**COMMITTEE: FISCAL ACCOUNTABILITY AND GOVERNMENT RELATIONS**

**LINK TO STRATEGIC BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES**

We performed this review in accordance with the approved 2019-20 Fiscal Year Audit Plan. Initially, this report was going to be presented at the March 17, 2020, Audit and Budget Advisory Committee (ABAC) meeting that was canceled due to the COVID-19 pandemic.

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Our follow-up testing of the Healthcare audit found that of the three agreed-upon recommendations/corrective actions, one has been fully implemented, one partially implemented, and one not implemented as of February 2020. The corrective actions not fully implemented relate to the contract for Administrative Services Only (ASO) having not been timely executed. Management indicated the cause of this non-implementation was a delay in the resolution of contract negotiations with various District bargaining units for salaries and benefits. It should be noted that the ASO contract with Cigna for the period beginning January 1, 2020, was executed on March 13, 2020, and this update was provided during the presentation of this report at the ABAC virtual meeting of May 12, 2020.

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Regarding the Procurement audit, four of the five recommendations/corrective actions have been fully implemented and one has been partially implemented as of February 2020. Although the bidder experience and performance verification process was enhanced subsequent to our audit recommendations, during this follow-up, we found that the process was not always followed. It should be noted that the District Administration has stated that it has further enhanced the controls over bidder references subsequent to this follow-up report. This update was also provided during the presentation of this report at the ABAC virtual meeting of May 12, 2020.

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The School Board Audit and Budget Advisory Committee reviewed this report at its May 12, 2020, virtual meeting and recommended transmission to the School Board.

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The report may be accessed at:

[http://mca.dadeschools.net/AuditCommittee/AC\\_May\\_12\\_2020\\_Virtual/item6.pdf](http://mca.dadeschools.net/AuditCommittee/AC_May_12_2020_Virtual/item6.pdf)

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida, receive and file the Internal Audit Report – Follow-Up On Two Performance Audits: Audit of the District’s Self-Insured Healthcare Program, and Audit of the District’s Procurement Operations: Solicitation, Selection, and Award Processes.

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