

Mr. Roberto J. Alonso, Board Member

Co-Sponsors: Ms. Maria Teresa Rojas, Chair
Ms. Lucia Baez-Geller
Dr. Dorothy Bendross-Mindingall
Ms. Mary Blanco
Ms. Monica Colucci
Dr. Steve Gallon III
Ms. Luisa Santos

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SUBJECT: REQUEST TO EXPAND THE SCOPE OF THE PREVIOUSLY APPROVED AND PLANNED GENERAL OBLIGATION BOND (GOB) END OF PROGRAM AUDIT TO CONDUCT A MORE COMPREHENSIVE CONTRACTING REVIEW

COMMITTEE: FACILITIES & CONSTRUCTION

LINK TO STRATEGIC PLAN: EFFECTIVE & SUSTAINABLE OPERATIONAL PRACTICES

On November 6, 2012, Miami-Dade County voters approved the issuance of \$1.2 billion in General Obligation Bonds (“GOB”) for constructing, modernizing, furnishing, and otherwise improving school buildings throughout our school district. As a result of the approval of the GOB, the Board approved the creation of the 21st Century Schools Bond Advisory Committee, which is comprised of twenty-three (23) voting members from our community appointed by the Board, the Superintendent, and several community organizations, to provide oversight of the bond program. The responsibilities of this oversight committee are delineated in Board Policy 9145.

In addition to the committee’s oversight, the School Board approved Agenda Item H-3 proffered by Chair Maria Teresa Rojas at the November 15, 2017, Board meeting to conduct a mid-point external audit/review. Pursuant to this item, an external mid-point audit on the expending of GOB funds was performed for the period from July 1, 2012, through June 30, 2018. The results of the audit were presented to the School Board on June 19, 2019. Pursuant to Agenda Item H-4 (“Request Authorization for the School Board to Approve the Process for the Development of an Independent Audit/Review of the General Obligation Bond (GOB) Funded School Improvement Program”), which was also sponsored by Board Chair Rojas, and approved by the Board at its December 14, 2022 meeting, a GOB “End of Program Audit” was included as part of the 2023-2024 Audit Plan Office of Management & Compliance Audits (“OMCA”).

Included in the potential scope of services for OMCA’s End of Program Audit for the GOB, is the “determination of the economic impact on the SBE, MBE, and M/WBE owned firms and businesses.” In addition, it would be beneficial to learn whether the stated programs are effective and substantially promote the economic development and growth of Small/Micro Business, Minority/Women and Veteran Business Enterprises as intended and described in School Board policies. Such a determination could include review of contracts recently completed or in progress to ascertain the actual work performed by participating firms in the GOB program.

The solicitation for OMCA’s End of Program Audit for the GOB has not yet been finalized, and the scope for the potential audit is still under review by OMCA and the Chief Auditor. A revision

or amendment to the scope of OMCA's End of Program Audit for the GOB can address these supplementary audit procedures concerning the utilization of SBE, MBE and M/WBE business by including a requirement for performing the following functions and to review:

- 1) the Office of Economic Opportunity's (OEO) comprehensive contract reporting and monitoring system to evaluate the effectiveness of these programs in increasing contracting opportunities for small/micro, minority/women-owned, and veteran businesses and examine how goal setting is established and monitored for each minority group;
- 2) how goal setting is established and monitored for each minority group through review of a sample of GOB funded contracts recently completed or in progress to ascertain whether the substance and intent of the program are being achieved;
- 3) the extent to which the minority firms that have been vetted and approved by OEO were able to successfully complete business with the District as a contractor or subcontractor; and
- 4) what procedures are in place to verify:
 - a) that the work performed by the prime and/or subcontractors was performed for the goods/services stipulated in the contract and/or invoice;
 - b) that the goals for minority vendors are included in the contracts, and monitored for compliance;
 - c) that prime contractors promptly and/or timely pay their subcontractors for GOB funded contracts; and
 - d) that there are consequences for contractors and subcontractors' non-compliance.

This item is presented for the Board's consideration to revise the scope of services of the GOB End of Program Audit to include the matters addressed in this item. In accordance with the Board's approval of the GOB End of Program Audit, the cost of the audit is not to exceed \$225,000, established in the December 14, 2022, Agenda Item H-4. With the additional supplemental request of this plan in the manner described in this item, the budget should not exceed \$250,000, (an additional \$25,000) if feasible and appropriate and should not cause any substantial delays. In addition, the item seeks to authorize a process required for a potential revision to the 2023-2024 Audit Plan, if deemed appropriate.

This item has been reviewed and approved by the Office of the General Counsel as to form and legal sufficiency.

**ACTION PROPOSED BY
MR. ROBERTO J. ALONSO:**

That The School Board of Miami-Dade County, Florida, authorize the Chief Auditor, to initiate the process to;

1. amend the scope of services of the GOB End of Program Audit to include determination of whether the subject Small/Micro Business, Minority/Women and Veteran Business Enterprises programs utilizing GOB funds are effective and substantially promote the economic development and growth as intended and specified in School Board policies;
2. to include in the scope of work the supplementary audit procedures as more specifically set forth in this item, namely a review of:
 - a) the Office of Economic Opportunity's (OEO) comprehensive contract reporting and monitoring system;

- b) establishing a goal-setting for a sample of GOB-funded contracts recently completed or in progress;
 - c) minority firms approved by OEO to determine whether they successfully completed business with the District; and
 - d) procedures in place to verify the work performed
3. amend the budget for the GOB End of Program Audit for the amount not to exceed \$250,000 (an increase of \$25,000), if deemed feasible and appropriate; and
 4. amend the approved 2023-2024 Audit Plan, if deemed appropriate.