

Office of Inspector General
Contract Oversight Unit
Contract/Procurement Activities
Quarterly Report for March 31, 2022

Office of Inspector General
Contract/Procurement Activities
Quarterly Report for March 31, 2022

Project: Attend Contract Selection Committee Meeting

Completed By: Robert Bliss

Date: 1/10/2022

Activity Type: Procurement-RFP

Activity #: 22-SC-15

Status: Completed

Department/Office: Purchasing Department

District Employee POC: Darci Garbacz, Director of Purchasing

Estimated Contract Value: \$690,000 (not to exceed \$230,000 annually for a three-year term)

Meeting Attended: In-Person Virtual Telephonic Recording

Agenda Attached: Yes No N/A

Synopsis of Contract/Procurement: Selection Committee met to evaluate proposals submitted in response to a Request For Proposal (RFP 22C-007J) for External Independent Auditing Services.

Goal of the Review/Monitoring: Observe the contract evaluation and selection committee meeting process in an effort to determine compliance with laws, policies, and procedures, and to promote honesty, integrity, and transparency during the District's procurement and contracting processes.

Issues/Concerns Identified: None

Commendations Identified: Staff took initiative in requesting the OIG attend this meeting to help ensure District compliance with existing laws/rules/guidelines.

Recommendations/Observations: Meeting/process appeared to be conducted in a manner consistent with the scoring criteria stated in the RFP, as well as Florida Statute 218.391, and established guidelines, protocols, policies, and procedures.

Next Step/Milestone: Contract negotiations moved forward with the highest ranked firm (RSM US LLP), and the negotiated contract was approved by the School Board at its February 23, 2022 meeting.

OIG Contract/Procurement Activities
Quarterly Report for March 31, 2022

Project: Attend Construction Oversight & Review Committee Meeting (CORC)

Completed By: Robert Bliss

Date: 1/13/2022

Activity Type: School Board Advisory Committee Meeting

Activity #: 22-AC-8

Status: Completed

Department/Office: Facilities Management

District Employee POC: David Dolan, Deputy Chief of Facilities Management

Meeting Attended: In-Person Virtual Telephonic Recording

Agenda Attached: Yes No N/A

Synopsis of Meeting: The Construction Oversight and Review Committee is advisory to the School Board and assists the Board by oversight and review of, and making recommendations concerning, the work of responsible departments to build quality schools on time and within budget. Part of CORC's responsibility includes the selection process for architects, engineers, and contractors, project budget/cost monitoring, and change order review.

Goal of the Review/Monitoring: As part of the OIG's contract review responsibilities, we regularly attend monthly CORC meetings to observe discussions regarding construction related contracts, and to identify areas of risk for potential OIG reviews/evaluations.

Potential Risks Identified: Approving reimbursement to Construction Managers for unanticipated increases in the cost of materials when the contract language may not require the District to pay for these additional costs.

Commendations Identified: CORC identified the above-mentioned risk, and had a robust and in-depth discussion regarding the issue.

Recommendations/Observations: N/A

Next Step/Milestone: Monitor any proposed changes in contract terms, policies, and/or procedures related to the issue of significant increases in cost of materials after contract award.

OIG Contract/Procurement Activities
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Project: Attend Contract Amendment Negotiation Meeting

Completed By: Aida Smith

Date: 2/16/2022

Activity Type: Contract

Activity #: 22-SC-16

Status: Completed

Department/Office: Facilities Management Department

District Employee POC: Darci Garbacz, Director of Purchasing

David Dolan, Deputy Chief of Facilities Management

Estimated Contract Amendment Value: \$3,000,000

Meeting Attended: In-Person Virtual Telephonic Recording

Agenda Attached: Yes No N/A

Synopsis of Contract/Procurement: District staff negotiated the terms of a contract amendment with the vendor (AECOM Technical Services, Inc.) for additional project-specific professional support staffing services related to their current contract and potential contract renewal (RFP 17C-020W).

Goal of the Review/Monitoring: Observe the contract renewal and negotiations processes in an effort to determine compliance with laws, policies and procedures, and to promote honesty, integrity, and transparency during the District's contract negotiation process.

Issues/Concerns Identified: Although there were specifically defined hourly pay rates attached to the contract amendment, there was no established monetary limit or stated contract value. Our concern was communicated to appropriate staff, including the Office of General Counsel.

Commendations Identified: N/A

Recommendations/Observations: Meeting appeared to be conducted in a manner that was in the best interest of the School District. We recommended that staff include a monetary limit or not-to-exceed amount in the contract amendment language.

Next Step/Milestone: The negotiated amendment and contract renewal was approved by the School Board at its March 2, 2022, special meeting. The financial impact section of the Board Agenda Item stated a not-to-exceed value of \$3,000,000; however, this amount was not stated in the contract language.

**OIG Contract/Procurement Activities
Quarterly Report for March 31, 2022**

Project: Attend Construction Oversight & Review Committee Meeting (CORC)

Completed By: Robert Bliss

Date: 2/17/2022

Activity Type: School Board Advisory Committee Meeting

Activity #: 22-AC-9

Status: Completed

Department/Office: Facilities Management

District Employee POC: David Dolan, Deputy Chief of Facilities Management

Meetings Attended: In-Person Virtual Telephonic Recording

Agenda Attached: Yes No N/A

Synopsis of Meeting: The Construction Oversight and Review Committee is advisory to the School Board and assists the Board by oversight and review of, and making recommendations concerning, the work of responsible departments to build quality schools on time and within budget. Part of CORC's responsibility includes the selection process for architects, engineers, and contractors, project budget/cost monitoring, and change order review.

Goal of the Review/Monitoring: As part of the OIG's contract review responsibilities, we regularly attend monthly CORC meetings to observe discussions regarding construction related contracts, and to identify areas of risk for potential OIG reviews/evaluations.

Potential Risks Identified: Reimbursing Construction Managers for unanticipated increases in the cost of materials when the contract language does not require the District to pay for these additional costs.

Commendations Identified: CORC had a robust and in-depth discussion regarding the above-mentioned risk.

Recommendations/Observations: N/A

Next Step/Milestone: Monitor any proposed changes in contract terms, policies, and/or procedures related to the issue of significant increases in cost of materials after contract award.

**OIG Contract/Procurement Activities
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Project: Attend Contract Selection Committee Meeting

Completed By: Aida Smith

Date: 3/10/2022

Activity Type: Procurement-RFP

Activity #: 22-SC-17

Status: Completed

Department/Office: Facilities Management Department

District Employee POC: David Dolan, Deputy Chief of Facilities Management

Estimated Contract Value: \$80,000,000

Meeting Attended: In-Person Virtual Telephonic Recording

Agenda Attached: Yes No N/A

Synopsis of Contract/Procurement: Selection Committee met to evaluate proposals submitted in response to an advertised RFP (22C-038R) for Consultant Services on Continuing Contract for Construction Management @ Risk (\$2 Million - \$4 Million).

Goal of the Review/Monitoring: Observe the contract evaluation and selection committee meeting process in an effort to determine compliance with laws, policies and procedures, and to promote honesty, integrity, and transparency during the District's procurement and contracting processes.

Issues/Concerns Identified: None

Commendations Identified: N/A

Recommendations/Observations: Meeting/process appeared to be conducted in a manner consistent with the scoring criteria stated in the RFP and established protocols, policies, and procedures.

Next Step/Milestone: A contract with the nine highest ranked firms will be presented to the Construction Oversight and Review Committee, and then to the School Board for approval.

OIG Contract/Procurement Activities
Quarterly Report for March 31, 2022

Project: Attend Construction Oversight & Review Committee Meeting (CORC)

Completed By: Aida Smith

Date: 3/21/2022

Activity Type: School Board Advisory Committee Meeting **Activity #:** 22-AC-10

Status: Completed

Department/Office: Facilities Management

District Employee POC: David Dolan, Deputy Chief of Facilities Management

Meetings Attended: In-Person Virtual Telephonic Recording

Agenda Attached: Yes No N/A

Synopsis of Meeting: The Construction Oversight and Review Committee is advisory to the School Board and assists the Board by oversight and review of, and making recommendations concerning, the work of responsible departments to build quality schools on time and within budget. Part of CORC's responsibility includes the selection process for architects, engineers, and contractors, project budget/cost monitoring, and change order review.

Goal of the Review/Monitoring: As part of the OIG's contract review responsibilities, we regularly attend monthly CORC meetings to observe discussions regarding construction related contracts, and to identify areas of risk for potential OIG reviews/evaluations.

Potential Risks Identified: None

Commendations Identified: N/A

Recommendations/Observations: N/A

Next Step/Milestone: Attend the next CORC meeting scheduled for April 14, 2022.

**OIG Contract/Procurement Activities
Quarterly Report for March 31, 2022**

Project: Attend Independent Sales Surtax Oversight Committee Meeting (ISSOC)

Completed By: Aida Smith

Date Covered: 3/25/2022

Activity Type: Advisory Committee Meeting

Activity #: 21-AC-11

Status: Completed

Department/Office: Treasury Department

District Employee POC: Leanne Evans, Treasurer

Meeting Attended: In-Person Virtual Telephonic Recording

Agenda Attached: Yes No N/A

Synopsis of Meeting: The Independent Sales Surtax Oversight Committee (ISSOC) is an advisory committee to the School Board that assists the Board through independent oversight of the use of the District's portion of the one percent sales surtax collected in Palm Beach County, as well as reviewing the projects on the Referendum Project List. The ISSOC provides oversight of the District's usage and expenditures of the proceeds of the sales surtax to verify consistency with the projects and purposes.

Goal of the Review/Monitoring: As part of the OIG's contract review responsibilities, we regularly attend quarterly ISSOC meetings to observe discussions regarding projects/contracts, and to identify areas of risk for potential OIG reviews/evaluations.

Issues/Concerns Identified: None

Commendations Identified: N/A

Recommendations/Observations: N/A

Next Step/Milestone: Attend the next ISSOC meeting scheduled for May 13, 2022.

**OIG Contract/Procurement Activities
Quarterly Report for March 31, 2022**

Project: Contract Review: Verde Elementary School - Modernization

Completed By: Aida Smith

Scope of Review: 6/20/2018 **To:** 6/30/2021

Activity Type: Contract Review

Activity #: 21-R-3

Status: Completed

Department/Office: Facilities Management Department

District Employee POC: David Dolan, Deputy Chief of Facilities Management

Estimated Contract Value: \$36,000,000

Synopsis of the Contract: On June 20, 2018, the School District contracted with Moss and Associates, LLC. to construct a 140,000 gross square foot, 1,500 student station, and K-8 school to replace the existing facility in Boca Raton (RFP 18C-009R).

Goal of the Review: As part of the OIG's contract oversight responsibilities, we reviewed the District's contract with Moss and Associates to determine the extent of compliance with selected contract terms and conditions, including (1) whether payments were appropriate and properly approved, and (2) whether deliverables were received.

Issues/Concerns Identified:

1. Competitive bidding requirements may not have been met for the off-site Holding School.
2. Construction Manager apparently overbilled the District approximately \$73,000 for insurance.
3. Some subcontractor payment applications were not signed or notarized as required.
4. The Construction Manager did not provide "Contractor Furnished Property Logs" as required.

Commendations Identified: The Construction Manager was compliant with selected contract terms and conditions except as noted above.

Recommendations:

- 1a. Enhance processes to allow for more accurate initial estimates of facility needs and costs.
 - 1b. Ensure competitive solicitation requirements are followed.

 - 2a. Verify the amount the District should have reimbursed the Construction Manager for Subcontractor Default Insurance (SDI) and General Liability Insurance.
 - 2b. Strengthen procedures for reviewing the accuracy and appropriateness of amounts contractors bill for insurance.
 - 2c. Determine whether it is in the best interest of the School District to require construction managers to purchase SDI Insurance. If so, revise the standard contract language to require
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OIG Contract/Procurement Activities
Quarterly Report for March 31, 2022

such insurance. If not, staff should not authorize or approve reimbursement to construction managers who purchase insurance that is not required or needed.

3a. Staff should perform more thorough reviews of payment applications.

3b. Procedures should be enhanced to require receipt of signed and notarized subcontractor payment applications prior to approving payment.

4a. Staff should adhere to written procedures when reviewing payment applications.

4b. The "CM Progress Payment Application Checklist" should be updated to include the "Contractor Furnished Equipment Log".

Next Step/Milestone: The draft report was presented to, and approved by, the Audit Committee during its February 18, 2022 meeting. The final report was included on the Consent Agenda of the School Board's March 23, 2022, meeting.

OIG Contract/Procurement Activities
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Project: Evaluation of “Buddy Benches”

Completed By: Aida Smith

Scope of Review: 1/1/2019 **To:** 10/30/2021

Activity Type: Evaluation

Activity #: 22-R-1

Status: Completed

Department/Office: Facilities Management Department and Purchasing Department

District Employee POC: David Dolan, Deputy Chief of Facilities Management
Darci Garbacz, Director of Purchasing

Synopsis: “Buddy Benches” have been installed at approximately 34 District elementary schools. The acquisition of “Buddy Benches” was coordinated by a former officer of the Mental Health Association of Palm Beach County (MHA) who is the owner/manager of a Florida Limited Liability company named Buddy Ambassadors LLC. According to the company’s website, they develop campaigns to raise awareness on bullying, and other mental and social issues affecting children and adults. The owner/operator of Buddy Ambassadors is also a temporary part-time employee of the School District who arranged for outside sponsors to donate benches to elementary schools to encourage use of the Buddy Ambassadors program. The sponsor’s name appears on the bench.

Goal of the Evaluation: The primary objective of this evaluation was to determine whether installation of “Buddy Benches” on school grounds was properly approved, and compliant with existing School Board Policies and department procedures.

Issues/Concerns Identified:

1. There was no approved contract to obtain/install “Buddy Benches” on District Property.
2. Lack of clear procedures for approving, acquiring, installing and maintaining “Buddy Benches”

Commendations Identified: N/A

Recommendations:

1. A written contract with the vendor/installer be required prior to the further acquisition and installation of any “Buddy Benches.”
2. School Board Policy 7.26 be clarified with regards to its applicability to fixed benches; and/or, a notice/bulletin be issued to appropriate staff clarifying the applicability of Policy 7.26 to fixed benches; and/or, School Board Policy 7.151 be revised to include sponsored benches.

Next Step/Milestone: An OIG Management Advisory Memorandum was issued to the Superintendent on March 14, 2022, communicating our findings and recommendations.

**OIG Contract/Procurement Activities
Quarterly Report for March 31, 2022**

Project: Review of Program Management Support Services Contract – Project Reconciliations and Closeouts

Completed By: Aida Smith

Scope of Review: 1/1/2017 **To:** 3/31/2022

Activity Type: Contract Review

Activity #: 22-R-2

Status: Initiated

Department/Office: Facilities Management Department

District Employee POC: David Dolan, Deputy Chief of Facilities Management

Estimated Contract Value: Up to \$26,400,000 over 10 years

Synopsis of Contract: AECOM Technical Services, Inc. serves as the Program Manager for the delivery of the District’s Capital Improvement Program. According to the contract, at conclusion of each project the District is to conduct a reconciliation to determine whether any adjustments to prior payments are necessary.

Goal of the Review: The primary objective of this review is to evaluate the project closeout process and determine the extent of compliance with the project reconciliation payment provisions outlined in the contract.

Issues/Concerns Identified: To be determined.

Commendations Identified: To be determined.

Recommendations: To be determined.

Next Step/Milestone: Complete our review and issue a draft report to Management for response.

Attachments to Quarterly Report for March 31, 2022
(Agendas of Meetings Attended)



CONSTRUCTION OVERSIGHT & REVIEW COMMITTEE



AGENDA JANUARY 13, 2022

9:00am to 11:30AM
North County Support Center

Item #	Item/Issue	Presenter	Objective
1.00	Call to Order/Attendance	Porter	Call to Order/Attendance
	Attendance		
	Chairman's Report	Porter	Opening announcements by the Chair. Approve agenda.
	Conflict of Interest Statements/ Lobbyist discussion disclosures		Conflict of Interest statements to be presented and read into the minutes
	CORC Report	Doctor	Report to Board
	Staff Updates		
2.00	Public Comments	Porter	
3.00	Board Agenda Items		
	Consent Agenda	Porter	Identify relevant Board agenda items to pull for discussion.
	Facilities Construction	Dolan/Staff	Review item (s) pulled for discussion
	Purchasing Construction	Garbacz/Moon	Review item (s) pulled for discussion
4.00	Discussion Items - Set		
	In-progress FCA Work Update	Dolan / Staff	Photos and Data on In-Progress Work.
	Follow Up	Kunard	Follow up No Report this month
5.00	Discussion Items – Updates/New		
6.01	Approval of Minutes	Porter	Approve minutes of previous meeting(s).
6.02	Elections	CORC	Election of Chair and Co-Chair
7.00	Review and Set Agenda	Porter	Review key decisions and commitments and set agenda for next meeting.
8.00	Adjourn	Porter	Close
9.00	Meeting Documents/Policies		Meeting Handouts – Items/Policies relevant to meeting agenda.
10.00	Links		See web agenda
11.00	Audio		Added after meeting



CONSTRUCTION OVERSIGHT & REVIEW COMMITTEE



AGENDA FEBRUARY 17, 2022

9:00am to 11:30AM
North County Support Center

Item #	Item/Issue	Presenter	Objective
1.00	Call to Order/Attendance	Porter	Call to Order/Attendance
	Attendance		
	Chairman's Report	Porter	Opening announcements by the Chair. Approve agenda.
	Conflict of Interest Statements/ Lobbyist discussion disclosures		Conflict of Interest statements to be presented and read into the minutes
	CORC Report	Doctor	Report to Board
	Staff Updates		
2.00	Public Comments	Porter	
3.00	Board Agenda Items		
	Consent Agenda	Porter	Identify relevant Board agenda items to pull for discussion.
	Facilities Construction	Dolan/Staff	Review item (s) pulled for discussion
	Planning & Intergovernmental Relations	Shaw	Review item (s) pulled for discussion
	Purchasing Construction	Garbacz/Moon	Review item (s) pulled for discussion
4.00	Discussion Items - Set		
	In-progress FCA Work Update	Dolan / Staff	Photos and Data on In-Progress Work.
	Follow Up	Banaszewski	Follow up – No Follow up this month
5.00	Discussion Items – Updates/New		
6.01	Approval of Minutes	Porter	Approve minutes of previous meeting(s).
7.00	Review and Set Agenda	Porter	Review key decisions and commitments and set agenda for next meeting.
8.00	Adjourn	Porter	Close
9.00	Meeting Documents/Policies		Meeting Handouts – Items/Policies relevant to meeting agenda.
10.00	Links		See web agenda
11.00	Audio		Added after meeting



CONSTRUCTION PURCHASING DEPARTMENT

RFP NO. 22C-038R

**CONSULTANT SERVICES
ON CONTINUING CONTRACT
FOR
CONSTRUCTION MANAGEMENT @ RISK
(\$2M - \$4M)**

EVALUATION COMMITTEE MEETING

AGENDA

MARCH 10, 2022

1:00 P.M.

NCSC

**1ST FLOOR CONFERENCE
ROOM**

- Call to Order
- Record Public Attendance
- Confirm Presence of Quorum - Committee Members
- Instructions to Committee
- Discussion of Proposals
- Public Comments
- Tabulation of Scoring from Committee Members
- Announce Selected Firms
- Adjournment



CONSTRUCTION OVERSIGHT & REVIEW COMMITTEE



AGENDA MARH 21, 2022

9:00am to 11:30AM
North County Support Center

Item #	Item/Issue	Presenter	Objective
1.00	Call to Order/Attendance	Porter	Call to Order/Attendance
	Attendance		
	Chairman's Report	Porter	Opening announcements by the Chair. Approve agenda.
	Conflict of Interest Statements/ Lobbyist discussion disclosures		Conflict of Interest statements to be presented and read into the minutes
	CORC Report	Doctor	Report to Board
	Staff Updates		
2.00	Public Comments	Porter	
3.00	Board Agenda Items		
	Consent Agenda	Porter	Identify relevant Board agenda items to pull for discussion.
	Facilities Construction	Dolan/Staff	Review item (s) pulled for discussion
	Purchasing Construction	Garbacz/Moon	Review item (s) pulled for discussion
4.00	Discussion Items - Set		
	In-progress FCA Work Update	Dolan / Staff	Photos and Data on In-Progress Work.
	Follow Up	Banaszewski	Follow up – No Follow up this month
5.00	Discussion Items – Updates/New		
6.01	Approval of Minutes	Porter	Approve minutes of previous meeting(s).
7.00	Review and Set Agenda	Porter	Review key decisions and commitments and set agenda for next meeting.
8.00	Adjourn	Porter	Close
9.00	Meeting Documents/Policies		Meeting Handouts – Items/Policies relevant to meeting agenda.
10.00	Links		See web agenda
11.00	Audio		Added after meeting



Independent Sales Surtax Oversight Committee (ISSOC) Meeting

An Advisory Committee to the School Board of Palm Beach County

Friday, March 25, 2022

11:00 am – 12:30 pm

Boardroom

Meeting Agenda

- I. Welcome and Introductions
- II. Public Comments (limited to 3 minutes)
- III. Items for Approval
 - a. Minutes from 2021-08-27 meeting
 - b. Minutes from 2021-11-05
 - c. Sales Tax Summary as of 12/31/2021
 - i. Sales Tax Financial Report
 - ii. Project Budget Reports
 - iii. Proposed Plan Modifications
 - d. Election of Officers
- IV. Adjourn

Please note that two or more School Board members may be in attendance at this meeting.

Comment cards will be available at the meeting. Anyone interested in offering public comments on any item on the agenda should fill out a comment card and hand it to the secretary.

Conflict of interest forms may be printed from the Committee website or requested from the secretary.

Board Docs: <https://go.boarddocs.com/fl/palmbeach/advisory/Board.nsf/Public>

ISSOC Committee Website:

https://www.palmbeachschools.org/school_board/board_advisory_committees/ISSOC

Proposed Future Meeting Dates for the ISSOC Committee

All meetings are scheduled to begin at 9:30 unless otherwise noted.

- May 13, 2022
- August 26, 2022
- November 4, 2022