



Memorandum

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To: The Honorable Carlos Alvarez, Mayor
The Honorable Chairperson Dennis C. Moss
and Members, Board of County Commissioners

From: Christopher Mazzella, Inspector General

Date: March 4, 2009

Subject: County Vendor Arrested for Forgery of Required Insurance Certificates, IG08-14

An investigation by the Office of the Inspector General (OIG), in conjunction with the Miami-Dade State Attorney's Office, has resulted in the arrest of Eddy Joe Allen, Sr. (Allen) for eight counts of Forgery. The OIG investigation uncovered that Allen, President of After Hours Cleaning Services, Inc. (AHCS), a janitorial service with Miami-Dade County (County) contracts dating back to 1999, forged required insurance certificates to obtain contracts with several County departments. The County's Department of Procurement Management (DPM) contacted the OIG following a verification of insurance by the General Services Administration's (GSA) Risk Management Division, when it was uncovered that the certificates contained false information.

The OIG investigation found that Allen did not have the required insurance and that he also submitted fraudulent insurance certificates in 2006 and 2007. Since 2004, the County has paid AHCS over \$400,000 for various janitorial service contracts.

The OIG remains committed to prosecuting individuals who expose the County to liability as a result of fraudulent activity. The OIG is grateful for the cooperation of the County's DPM and Risk Management Division.

cc: Mr. George Burgess, County Manager
Mr. Denis Morales, Chief of Staff, Office of the Mayor
Ms. Alina Hudak, Assistant County Manager
Ms. Miriam Singer, Director, Department of Procurement Management
Ms. Wendi Norris, Director, General Services Administration (GSA)
Ms. Marsha Pascual, Division Director, GSA Risk Management Division
Ms. Cathy Jackson, Director, Audit & Management Services
Mr. Charles Anderson, Commission Auditor
Clerk of the Board (copy filed)



County Vendor Arrested for Forgery

Eddy Joe Allen, Sr. (Allen), 45, President of After Hours Cleaning Services, Inc. (AHCS), a registered vendor with Miami-Dade County, was arrested today. The arrest resulted from an investigation by the Office of the Inspector General (OIG) and the Miami-Dade State Attorney's Office. Allen was charged with eight (8) counts of Forgery for providing the County's Department of Procurement Management with phony insurance certificates.

AHCS, a family run janitorial service, has bid on Miami-Dade County (County) contracts since 1999. From June 2004 through July 2008, AHCS was paid over \$400,000 for janitorial services provided to various County departments. In 2008, the OIG was contacted by the Department of Procurement Management (DPM) when the County's Risk Management Division discovered that phony insurance certificates had been submitted by AHCS. Proof of insurance is a condition of being awarded a County contract. Under this contract, AHCS was to provide janitorial services for the Hialeah Courthouse and for the Public Works Department's Traffic Signal and Signs Division. The 2008 contract would have entitled AHCS to over \$100,000 for services provided during a one-year period.

For this contract, AHCS was required to maintain Workers Compensation Insurance, Public Liability Insurance (with the County as an additional insured), and Automobile Liability Insurance. These requirements are necessary to reduce the risk to the County. The County's DPM and the Risk Management Division, as part of the contract award process, verify compliance with the insurance requirements. In this case, the Risk Management Division discovered that the certificates were phony. The OIG investigation revealed that the certificates were indeed forged. The policy numbers, dates, effective dates, and description of operations were fraudulent. AHCS' workers compensation insurance and automobile insurance had expired in 2004 and 2006 respectively. Although AHCS did have general liability insurance, the policy did not, as required, list the County as an additional insured. In addition to forging the certificates of insurance for the 2008 contract, the OIG discovered that Allen had also submitted forged insurance certificates for janitorial services contracts in 2006 and 2007.

The OIG is grateful for the cooperation during the course of this investigation from the County's DPM and Risk Management Division. Copies of the arrest affidavit are available at the Office of the Inspector General, 19 West Flagler Street, Suite 220, Miami, Florida, telephone number (305) 375-1946, or at the State Attorney's Office, c/o Ed Griffith, 1350 N.W. 12 Avenue, Miami, Florida, telephone number (305) 547-0535.