

Memorandum



Date: September 30, 2025

To: Sherea Green, Director
Miami-Dade Corrections and Rehabilitation Department

From: *OCUR*
Ofelia Tamayo, Director
Internal Compliance Department

Subject: Final Report – 2024 Aramark Contract and Inmate Welfare Trust Fund Review

PURPOSE AND SCOPE

As requested, we conducted a review of the five-year Agreement for Inmate Commissary and Banking Services (Contract) between the Miami-Dade County (County) Corrections and Rehabilitation Department (Department) and Aramark Correctional Services, LLC (Aramark), as well as the Inmate Welfare Trust Fund for the Fiscal Year (FY) ended September 30, 2024. The objectives were to assess controls over Commissary operations, verify staff adherence to applicable policies and procedures, and evaluate vendor compliance with key contract provisions. Our review included, but was not limited to, vendor performance, accounting for Commissary transactions, administration of Inmate Funds, and cash management practices. We also reviewed the status of corrective actions taken by the Department to address prior recommendations detailed in our Report dated February 12, 2025 (Exhibit I).

BACKGROUND

For FY 2024, the Department offered Commissary services for approximately 4,710 inmates awaiting trial or serving sentences for less than 365 days at three correctional facilities: Metro-West Detention Center, Pre-Trial Detention Center (PTDC), and Turner Guilford Knight Correctional Center (TGK). Services are provided through Aramark's Contract which was signed on April 1, 2020, effective for an initial five years, with one five-year renewal option which has been exercised on August 15, 2025.

Under the terms of the Contract, Aramark continues to provide an automated Commissary Accounting System and peripheral modules to primarily account for Inmate Trust Funds and Commissary-related transactions processed by Department staff. Further, Aramark has Kiosk Systems operating at two facilities for commissary orders.

Inmates may select from over 200 Commissary items, including snacks, toiletries, clothing, and non-prescription drugs; however, retail prices may not exceed the fair market value for comparable products sold in the community. Orders are placed via the Kiosks or Scantron forms which are processed at Aramark's warehouse for weekly fulfillment. Inmate accounts are charged promptly after order processing. Family and friends can also order pre-packaged items on-line from the Aramark *iCare* service platform for delivery to inmates. Aramark delivers orders to Department

personnel at the warehouse facility in the Department’s headquarters for sorting and delivery to detention facilities. Monthly, Aramark submits various reports to the Department summarizing sales and commissions. In FY 2024, the County earned a 50% commission on all eligible Commissary and *iCare* sales as reported by Aramark.

The Aramark Core Banking System is used to track and account for individual inmate balances and other Commissary-related accounts. *TouchPay* Holdings LLC (*TouchPay*) maintains Kiosk systems at each facility for inmate transactions, such as to deposit monies found on inmates at time of arrest or booking. The County earns 8% commission on fees collected for deposit transactions via *TouchPay*.

Periodically, the County’s Integrated Financial Resources Management System (INFORMS) is updated for all Commissary-related transactions, primarily in the Jail Commissary Special Revenue Fund (Table I).

Table I
Jail Commissary Special Revenue Fund

Description	As of September 30,	
	2023	2024
Revenues:		
Commissary Commissions	\$ 2,069,269	\$ 2,359,358
<i>iCare</i> Commissions	272,855	404,701
<i>TouchPay</i> Commissions	44,497	40,394
	2,386,621	2,804,453
Interest Earnings	13,994	32,873
	2,400,615	2,837,326
Expenditures:		
Salary & Fringe Reimbursement	833,792	862,551
Other Operating	4,805	22,118
	838,597	884,669
Excess before Transfers	1,562,018	1,952,657
Transfers to Inmate Welfare Trust Fund (Table II)	(1,561,020)	(1,949,590)
Excess (Deficit) after Transfers	998	3,067
Fund Balance (Deficit), Beginning of Year	1,077	2,075
Fund Balance (Deficit), End of Year	\$ 2,075	\$ 5,142

Source: INFORMS

Annually, the Department transfers monies from the Jail Commissary Special Revenue Fund to the Inmate Welfare Trust Fund (IWF) to benefit inmates (Table II). Fund balances are used primarily for salaries for counselors and special supplies for clients.

**Table II
Inmate Welfare Fund**

Description	As of September 30,	
	2023 ¹	2024
Receipts:		
Transfers from Jail Commissary Trust (Table I)	\$ 1,561,020	\$ 1,949,590
Interest Earnings	7,271	9,453
Other Miscellaneous Revenues and Credits	12,513	3,358
Collections in Trust	212	1,253
Total Receipts	<u>1,581,016</u>	<u>1,963,654</u>
Disbursements:		
Cross Index Salaries and Fringe Distributed	897,461	996,842
Special Supplies for Clients	519,238	329,762
GSA ² Central Service Supplies	-	34,232
Other Professional Accounting and Auditing Services	52,991	25,226
Miscellaneous Other Operating Supplies	18,358	7,962
Educational and Educational Materials	30,998	3,248
License & Permit Fees	1,731	946
Printing and Reproduction	2,715	850
Computer Equipment Other than PC	44,882	-
Other Outside Contractual Services	5,878	-
Inmate Uniform	2,843	-
Total Expenditures	<u>1,577,095</u>	<u>1,399,068</u>
Change in Fund Balance	3,921	564,586
Fund Balance, Beginning of Year	<u>128,833</u>	<u>132,754</u>
Fund Balance, End of Year	<u>\$ 132,754</u>	<u>\$ 697,340</u>

Source: INFORMS

¹ Some amounts have been reclassified to reflect accuracy of comparison with FY 2024.

² Currently Department of People and Internal Operations.

SUMMARY RESULTS

Our review disclosed that the Aramark Commissary Accounting System used by the Department to process inmate Commissary orders and other transactions, as well as account for inmate funds, properly recorded all transactions selected for testing. The Contract requires Aramark to fill inmate orders with 99% accuracy in the aggregate on a weekly basis. However, our review of the Weekly Summary Report (WSR) that reflects the weekly fill rate had some fields left blank, which have an impact on the fill rate percentage. Additionally, support provided for missing items did not agree to amounts reflected on the WSR. Credits to inmates for missing items are being provided seven to 15 days after being reported and return credits are being provided one to seven days after the due date, as required by the Contract. Aramark did not submit the monthly invoices and reports within the time frame required per the Contract.

Our tests disclosed that Aramark’s pricing of Commissary items was above the “fair market value,” in 11 (73%) of the 15 items tested. Additionally, the commissary menu price increased greater

than the allowable Consumer Price Index (CPI) percentage, in 60 of the 71 items upon comparing the prices between FYs 2024 and 2025.

Additionally, expenditures are not consistently pre-approved by the Inmate Welfare Trust Committee (IWC), as required by the Contract. The expenditure process, as outlined in the *Departmental Standard Operating Procedure (DSOP)*, is not being consistently followed. The Facility Bureau Supervisor requesting funds from IWF is not submitting a memorandum to the Division Chief and Deputy Director for approval or disapproval. Expenditures are also not consistently charged to the correct INFORMS account

Currently, there are two inventory records being maintained, an automated Warehouse Inventory System (Inventory System) and a Manual Record, due to system limitations, which is inefficient. Additionally, there is a lack of segregation of duties within the IWF inventory process.

Financial and operating reports generated by the System, including those used to determine commission revenues paid to the County, were generally accurate. We also followed up on prior Report findings to ensure they were adequately addressed (Exhibit I). Our evaluation of internal controls was limited to a select number of transactions; therefore, we may not have identified all deficiencies in internal controls that might be considered material.

These and other findings are detailed in the remainder of this Report, as well as the Department's Response (Attachment I). Overall, the Response provided including actions already taken to resolve the findings appear satisfactory, and thus, the review has been closed. We appreciate the courtesy and cooperation extended to our staff during the review process. If you have any questions, please contact Alina Z. Garcia, Internal Compliance Manager, at (786) 469-5900.

FINDINGS AND RECOMMENDATIONS

Deficiencies in Commissary Fulfillment

The Contract requires Aramark to fill inmate orders with 99% accuracy in the aggregate on a weekly basis. Aramark provided the WSR which depicts a weekly fill rate of 99% or higher. While the Department will check the WSR for mathematical accuracy, they do not perform periodic reviews of the data therein. The Internal Compliance Department (ICD) reviewed the WSR and observed that the missing items field was blank for weeks ending October 6, 2023 through January 12, 2024. Therefore, ICD is unable to concur that the 99% fill rate reflected in the WSR is accurate for this period.

ICD selected a sample of ten consecutive weeks to determine the accuracy of the fill rate percentage. For the weeks selected, the support provided by Aramark for the missing items varied from the amount reported on the WSR, ranging from an understatement of 98 missing items to an overstatement of 238 items. It also contained items that were in fact not missing but rather damaged, refused (e.g., substituted item, incorrect size) or add backs (e.g., hot items not allowed at PTDC), which are not considered in the fulfillment calculation because the item was in fact

filled. The fill rate remained above the 99% for the ten weeks tested, upon recomputing the fill rate using the supported missing item count, thereby complying with the contract terms.

Additionally, the WSR does not reflect the missing items on the week the order is delivered. Aramark indicates that this is due to a system limitation. As such, the WSR reflects missing items two to three weeks after the week in which the missing items are identified. As a result, the weekly fulfillment rate is skewed, since the order was filled, and related missing items are not being accounted for within the same week.

ICD selected five pick tickets identifying missing items, within the ten week testing period, to verify that the inmates were receiving the credit for the missing items accurately and timely. Upon receipt of the order placed, the inmate, along with Department personnel, verify the accuracy of the items ordered with the physical items received. At this time, any missing items are identified and documented on the pick ticket, however, the Department does not maintain record of when the pick tickets with missing items are provided to Aramark. It was noted that inmates received the credits accurately, however, the credit was provided seven to 15 days after the Department delivered the order (Table III). The Contract does not specify a timeframe for crediting the inmates for missing commissary items.

Table III
Delay in Credit to Inmate for Missing Commissary Items
Fiscal Year Ended September 30, 2024

Order No.	Delivery Date	Missing Item(s)	Order Credit Date	Days to Credit Inmate
1058560	6/26/24	Acetaminophen	7/10/24	14
1066351	7/10/24	Duplex Cookies Iced Oatmeal Cookies Famous Amos Cookies	7/17/24	7
1072580	7/23/24	Ruffles Sour Cream & Cheddar	8/7/24	15
1079450	8/6/24	Doritos Spicy Sweet Chili Playing Cards Cheetos Flamin' Hot	8/21/24	15
1079932	8/13/24	Sardines in Louisiana Hot Sauce	8/21/24	8

Source: Inmate pick tickets

However, for return items (items erroneously shipped or filled) the Contract states, “inmates must receive satisfaction (by redelivery or credit) by close of business next working day after return.” The Commissary Specialist completes the C & R Commissary Return Summary reflecting the inmate’s name, jail number, reason for return, Price Look-Up (PLU) number and total quantity of items returned, and it is signed and dated by the Commissary Specialist and an Aramark representative. ICD selected five pick tickets identifying return items, within the ten week testing period, to verify that the inmates received the credit accurately and within the time frame required per the Contract. Although all five inmate accounts were accurately credited, the credit was provided one to seven working days after the due date, which is not in compliance with the contract terms (Table IV).

Table IV
Delay in Credit to Inmate for Return Commissary Items
Fiscal Year Ended September 30, 2024

Order No.	Delivery Date	Item(s) Being Returned	Qty.	Aramark Pickup Date	Return Credit Due Date	Return Credit Date	No. of Days Late
1056844	6/18/24	PLU 6009 Doritos Nacho	1	6/24/24	6/25/24	6/26/24	1
1063704	7/1/24	PLU 4014 Ramen Chicken	6	7/4/24	7/5/24	7/9/24	2
1065762	7/9/24	PLU 6001 Cheetos Crunchy	1	7/11/24	7/12/24	7/17/24	4
1071824	7/24/24	PLU 7142 Large Bowl w/ Lid	1	7/30/24	7/31/24	8/7/24	5
		PLU 6026 Lays Regular Chip	3				
1079351	8/6/24	PLU 4052 Salt Pack 10 ct	1	8/9/24	8/12/24	8/21/24	7
		PLU 4051 Pepper Pack 10 ct	1				
		PLU 4553 Van Holten Dill Pickle	1				

Source: Order Pick Tickets, C & R Commissary Return Summary and Items by Inmate Report

Recommendation

- The Department should thoroughly review the WSR received from Aramark to ensure compliance with the contracted fill rate of 99%, including mathematical accuracy, but should also ensure that the report is complete (no fields left blank). Supporting documentation for amounts used in the computation should be periodically requested from Aramark to ensure accuracy of information being reported.
- Aramark should evaluate alternatives to enhance the WSR to reflect, within the same week, the orders filled along with the corresponding missing items credit.
- The Department should document and maintain a record of when the pick tickets with missing items are provided to Aramark and periodically review if the inmates are receiving credit within a reasonable time frame.
- Aramark should apply credit within the close of business on the next working day, as per Contract terms.

Fair Market Value Pricing of Commissary Items

The 2024 Florida Statutes Chapter 951, Section 23, Part (9)(b) and Florida Model Jail Standards Chapter 12, paragraph 12.1b., Inmate Commissary and Welfare Fund require that Commissary prices not exceed the fair market value for comparable products sold in the community where the facilities are located. Although Aramark provided a detailed Fair Market Value study to the Department, the Contract requires an Executive Summary Report, which was not provided.

ICD selected 15 commissary items from the pick tickets and compared the FY 2025 commissary menu price to the price of those items at local stores in May 2025. Eleven (73%) items had a commissary menu price higher than the Fair Market Value, ranging from \$0.23 to \$1.77.

Additionally, any proposed pricing increase shall not exceed the latest issue of the CPI. ICD compared the FY 2025 commissary menu prices with the FY 2024 commissary menu prices, noting 71 items having an increase in price, of which 60 items (84.5%) had a price increase that exceeded the allowable CPI percentage.

Furthermore, the Department does not have a process or procedure in place regarding the Fair Market Value Pricing nor were able to provide any documentation of the review or testing of their Fair Market Value Study prices. There was no formal approval of the Commissary Menu by the Department, as required by the Contract. The Department approved an email of the Fair Market Value price increase, however, since there was no attachment, ICD could not verify what was approved.

Recommendation

- Aramark should provide the Executive Summary Report on an annual basis, along with the Fair Market Value survey, as required per the Contract.
- The Department should: a) work with Aramark to lower the menu prices to acceptable standards; b) establish a formal process which includes how the testing of the Fair Market Value Study is conducted, as well as the criteria used in selecting the sample; c) retain the documentation supporting the testing; and d) maintain a record of the approved Commissary Menu.

Untimely Receipt of Reports

Aramark submits monthly to the Department the Commissary and *TouchPay* invoices, along with the *iCare* Sales and Commission report. ICD noted that Aramark submitted the October 2023 and May 2024 (2 of 12) monthly reports beyond the five-day window allowed in the Contract; eight days late and one day late, respectively. Additionally, Aramark is required by the Contract to submit on the tenth of every month an invoice for Indigent Commissary Items, however, one of the 12 invoices received three days after the tenth of the month.

Recommendation

The Department should continue to actively encourage Aramark to comply with the requirements for submitting monthly reports and invoices, as outlined in the Contract.

Inmate Welfare Fund Expenditures

Per the *DSOP 21-002 IWF*, all approved IWF expenditure request memorandums shall be processed in accordance with *DSOP 5-015 "Purchase Requests"* and *DSOP 5-010 "Accounts Payable"*. For 15 expenditures incurred during FY 2024, which were sampled tested, the requirements outlined in the *DSOP* were not being consistently followed (Schedule I). ICD noted

none of the reviewed expenditures, some of which corresponded to a Blanket Purchase Order, included a memorandum from the Facility/Bureau Supervisor to the Division Chief and Deputy Director for review and approval. ICD was informed that the submission of such memorandum was not a practice when submitting a Blanket Purchase Order. However, the *DSOP* does not exempt Blanket Purchase Orders.

Expenditures are also not consistently charged to the correct account. This misclassification results in inaccuracies in financial reporting and creates variances when comparing total expenditures between fiscal years. In seven of 15 expenditures reviewed, the IWF memorandum listed an incorrect account to be charged. Conversely, in four instances, the IWF memorandum had the correct account; however, the expenditure was charged to an incorrect account during processing.

Additionally, indigent and welcome kits are not being invoiced at the agreed upon Contract price of \$1.68, but rather at \$1.84 and \$1.00, respectively. Both kits have a Blanket Purchase Order approved by IWC. ICD acknowledges a Supplemental Agreement to the Contract has been executed effective July 1, 2024. It states prices for both kits would be mutually agreed upon by both parties.

Recommendation

The Department should consider the following:

- Ensure that IWF Memorandums are approved prior to purchasing the items and payments are made within 45 days of receipt, as required by the *DSOPs*.
- Implement the memorandum requirement consistently for all expenditures, including those processed under a Blanket Purchase Order, to ensure uniform documentation and approval practices or amend the *DSOP* to clearly document that a memorandum is not required when submitting a Blanket Purchase Order.
- Strengthen the pre-approval process by confirming the correct account is disclosed in the IWF memorandum prior to submission for approval and implement checks within the payment process to ensure the account charged matches the account listed in the approved memorandum.
- Conduct periodic verification of expenditures charged to promptly reclassify any errors identified.
- Ensure all agreed upon contractual cost is accurately reflected in invoices received and paid, and maintain a record of agreed upon prices based on the Supplemental Agreement.

Inventory Management

Per the *Inmate Welfare Fund DSOP 21-002*, expenditures for the inmates may include recreational items, inmate program items, inmate supplies, recreational and legal reading materials and other items to promote the health and welfare of the inmate population.

The Department has not established a formal process for the tracking of IWF inventory. ICD performed a walkthrough of the IWF inventory process noting a lack of segregation of duties. The Supply Specialist receives packing slips, has access to alter quantities in the Inventory System and Manual Record, reconciles physical counts, and approves order requests from the facilities.

In September 2024, the Department started maintaining two inventories, an Inventory System (automated system), and a Manual Record. Currently, the Manual Record is needed due to the quantity limitation within the Inventory System. The Department performs an annual physical inventory and monthly random physical counts of IWF items. However, the annual physical inventory provided was not dated and no record of the monthly random counts were available. ICD physically counted a sample of items on the shelves, and the physical count agreed to both the Inventory System and Manual Record.

ICD also observed four Promethean Boards (interactive whiteboards) maintained in a separate area of the warehouse and not with the IWF items. These had been purchased with IWF funds in the prior year. However, they are not included in the IWF inventory counts in the Manual Record.

Recommendation

The Department should consider the following:

- Establish a formal inventory process to ensure items purchased through the IWF are safeguarded upon receipt and distribution is accounted for, as well as maintaining records of counts, reconciliations and investigation of discrepancies. This process should be added to the *DSOP*.
- Reassign responsibilities to ensure the functions to receive orders, record counts, reconcile counts, safeguard the inventory, and approve orders is distributed among the staff.
- Enhance the Inventory System to be able to track all items in the Department's custody within one record.
- Ensure all records of physical inventory, both annual and monthly, are dated, signed by the individuals conducting the inventory and maintained for recordkeeping.

- Conduct periodic reconciliations between IWF requests, expenditures, and items maintained in the Manual Record to ensure that IWF items are properly tracked.

Segregation of Duties

There is a lack of segregation of duties within the Inmate Finance Department's commission process. The Account Clerk prepares the deposit, completes the report of collection, and posts to INFORMS. In addition, the Account Clerk stores the checks in a drawer, in which the key remains inserted in the lock throughout the day. Additionally, the deposit process requires transport of checks to TGK from the Department headquarters, for the armored car to pick up at TGK, which appears inefficient.

As noted in the prior year Report, access to the Aramark Core Banking System (System) does not reflect proper segregation of duties for certain system functionalities. We reviewed the System user access, specifically those individuals from the Inmate Finance Department, within the Bureau of Budget and Finance, with access to perform Bank reconciliations, noting two individuals have access to perform Bank reconciliations, as well as other functions, such as make deposits, process journal entries, and void transactions.

Recommendation

The Department should consider the following:

- Reassign responsibilities, as possible, to minimize conflicts with segregation of duties.
- Properly safeguard checks or deposits by properly limiting physical access.
- Evaluate the alternatives available to process deposits efficiently.

OT:bm

Attachments

c: Geri Bonzon-Keenan, County Attorney
Carladenise Edwards, Chief Administrative Officer
Jimmy Morales, Chief Operations Officer
James Reyes, Chief of Public Safety
David L. Clodfelter, Director, Office of Management and Budget
Veronica V. Salom, Deputy Director, Miami-Dade Corrections and Rehabilitation
Department

Miami-Dade Corrections and Rehabilitation Department
Inmate Welfare Trust Fund
Results of Expenditure Testing
Fiscal Year Ended September 30, 2024

No.	Invoice Date	Inmate Welfare Committee (IWC) Approval Date	Date Invoice Received in INFORMS	Payment Date per INFORMS	Vendor/Description	Transaction Amount	Approval by IWC Prior to Goods Invoiced / Expense Incurred	No. of Days from Invoice Date to IWC Approval Date
1	10/2/23	12/20/23	10/3/23	11/28/23 ¹	Aramark/Indigent Kits	\$ 4,756.40	X	79
2	10/27/23	5/17/23	10/27/23	11/14/23	Burmax/Wahl Senior Clippers, Trimmers, Disinfectant Spray	2,464.41	✓	n/a
3	11/29/23	12/20/23	12/12/23	1/4/24	Aramark/Unsentenced Inmate Worker Bags	6,000.00	X	21
4	11/29/23	12/20/23	12/12/23	1/25/24	Aramark/Unsentenced Inmate Worker Bags	9,385.00	X	21
5	1/31/24	12/20/23	2/2/24	2/8/24	Aramark/Welcome Kits	10,000.00	✓	n/a
6	3/4/24	4/17/24	4/29/24	5/21/24	MDC Public Schools/Students Tuition and Course Fee Services	4,516.16	X	44
7	4/1/24	10/18/23	4/1/24	4/9/24	Legal Research Associates/Legal Research Services	6,668.64	✓	n/a
8	4/17/24	5/15/24	4/17/24	5/29/24	MDC Public Schools/Students Tuition and Course Fee Services	2,379.68	X	28
9	5/1/24	12/20/23	5/7/24	5/16/24	Aramark/Welcome Kits	14,764.00	✓	n/a
10	6/1/24	10/18/23	6/1/24	6/6/24	Legal Research Associates/Legal Research Services	7,545.56	✓	n/a
11	6/20/24	6/18/24	n/a ²	n/a	Mac Papers Inc./Paper	3,780.00	✓	n/a
12	7/1/24	10/18/23	7/1/24	7/9/24	Legal Research Associates/Legal Research Services	8,151.00	✓	n/a
13	7/31/24	7/17/24	8/5/24	8/8/24	Aramark/Indigent Kits	4,232.00	✓	n/a
14	9/3/24	7/17/24	9/7/24	9/12/24	Aramark/Indigent Kits	3,496.00	✓	n/a
15	9/5/24	10/18/23	9/6/24	9/12/24	Legal Research Associates/Legal Research Services	9,768.00	✓	n/a
Total						\$ 97,906.85	5	

✓ Criteria is met.

X Criteria is not met.

n/a - Not applicable.

Note: As required by the DSOP 21-002, the memorandum from the Facility Supervisor to the Division Chief and Deputy Director was not completed, for all 15 expenditures tested.

¹ Invoice was not paid within 45 days of receipt. Invoice was paid 11 days late.² This transaction was processed internally by the People and Internal Operations Department (formerly Internal Services Department), therefore, the entry does not appear in the INFORMS payment report and a date is not available.

**Miami-Dade Corrections and Rehabilitation Department (MDCR)
Inmate Commissary Operations & Welfare Trust Fund Review
Status of Prior Report Findings**

Finding ¹	Recommendation ¹	Response ¹	Current Status
Commissary Fulfillment Deficiency			
<p>The Contract requires Aramark to fill inmate orders with 99% accuracy in the aggregate on a weekly basis. The Internal Compliance Department (ICD) selected a sample of 20 individual orders (pick tickets) to determine the accuracy of the fill rate percentage in Fiscal Year (FY) 2023. Twelve of the commissary orders (60%) were not filled above 99%. These orders had items missing resulting in order fill rates ranging from 59% to 98%. Consequently, Aramark provided a Weekly Summary Report to support the weekly aggregate fill rate for pick tickets in compliance with the Contract. The Report, segmented into Week Endings, depicted each period had a fill rate of 99% or higher.</p> <p>Additionally, the Weekly Summary Report disclosed the fill rate was lower than the 99% from the week ending February 17 through September 1, 2023. Furthermore, the missing items total was not included in the Report for the weeks ending September 8 through September 30, 2023. We were advised by Aramark staff that the Weekly Summary Report was not accurate, as the missing items total used to calculate the fill rate percentage included not only missing items, but also refused, damaged and returned items.</p> <p>Aramark may be penalized up to 10% for failure to meet the 99% performance target. However, the Department has decided not to assess these penalties.</p>	<p>The Department must ensure that Aramark complies with the contracted fill rate of 99% on orders completed and that penalties are assessed if the orders are not in compliance.</p>	<p>MDCR monitors the fulfillment rates to ensure that Aramark is in compliance with the stipulations in the contract. MDCR audits a sample of pick tickets against the Fulfillment Report for each facility periodically to ensure accuracy of Aramark's Fulfillment Report. In the event Aramark fails to meet the performance target over an extended period of time, MDCR may consider assessing penalties based on the vendor's performance.</p>	<p><u>Unresolved</u> MDCR does not perform periodic reviews of the Weekly Summary Report (WSR). Therefore, they were unable to provide support of any audits/sample testing performed.</p> <p>Although Aramark is complying with the 99% fill rate, the missing items reported in the weekly report are inaccurate. There were fields in the WSR for certain weeks that were left blank. The field is necessary for the computation of the weekly fill rate.</p>
Commissary Commissions			
<p>Aramark provides the Department with monthly reports and invoices indicating total Commissary sales, fees collected and commissions payable to the County. These reports are used to validate amounts owed to Aramark for merchandise sales and sales taxes, as well as commissions due to the County. After the reconciliation and verification process are complete, the County draws checks to itself and Aramark for the amounts owed.</p> <p>ICD noted that Aramark submitted ten of the 12 Commissary monthly invoices beyond the five-day window allowed in the Contract, ranging from one to 64 days late. Each monthly transfer of payment to the County was made within 45 days of receipt of invoice.</p> <p>Although <i>iCare</i> Commission Revenues were calculated correctly, checks were received for the correct amount and deposited timely, ten of the 12 <i>iCare</i> Sales and Commission reports reviewed were submitted after the 5th of the month, as required by the contract. Delays ranged between one and 64 days.</p>	<p>Prospectively, the Department staff should continue to encourage Aramark to comply with the five-day requirement and ensure that commissions are settled within 30 days.</p>	<p>Aramark is aware of the County centralize invoice submission process. And MDCR works collaboratively to ensure compliance of the five-day invoice submitting requirement and ensure commissions are settled within 30 days. Please note that Aramark's monthly <i>iCare</i> and Commissary Sales were delayed due to Aramark's staffing constraints.</p> <p>Aramark has followed the five-day reporting requirement since being under new management In October 2023.</p>	<p><u>Unresolved</u> Two of 12 Commissary and TouchPay Commission invoices and Sales and Commission Reports reviewed were received one to eight days after from the due date.</p>

**Miami-Dade Corrections and Rehabilitation Department (MDCR)
Inmate Commissary Operations & Welfare Trust Fund Review
Status of Prior Report Findings**

Finding ¹	Recommendation ¹	Response ¹	Current Status
<p>Fair Market Value Pricing of Commissary Items</p> <p>The 2023 Florida Statutes Chapter 951, Section 23, Part (9)(b) and Florida Model Jail Standards Chapter 12, paragraph 12.1, Inmate Commissary and Welfare Fund require that Commissary prices not exceed the fair market value for comparable products sold in the community where the facilities are located. ICD selected 25 items from the FY 2023 item list, used the prices of the same items from the FY 2024 item list, and compared the prices of these items at local stores in July 2024. We identified 18 (72%) items with prices higher than the 10% tolerance limit.</p> <p>Additionally, we reviewed the Active Items List to ensure items were either listed on the Commissary Items Master Menu or the Commissary Kiosk Menu. We identified 53 items listed on the Active Items List that were not listed on either Commissary Menu.</p> <p>Furthermore, there is no formal approval of the Commissary Menus by the Department, as required by the Contract. ICD was only able to obtain emails indicating that the Fair Market Value price was approved for the items sold. However, the Department was unable to provide us with what was approved, since the approval was verbal.</p>	<p>The Department should work with Aramark to lower the menu prices to acceptable standards. Additionally, the Active Items List should be reviewed and ensure items are available on the Commissary Menus. The Department needs to maintain a record of the Commissary Menu, including the agreed upon Fair Market Value price, that is approved annually.</p>	<p>MDCR thoroughly reviews requests for price increases based on the completed Fair Market Value (FMV) report. MDCR reviews items with Aramark that have inconsistent pricing based on the FMV report and resolve item pricing to comply with the contract requirements before approving price increases. As it relates to the Fair Market Value (FMV) pricing of Commissary items, 18 items were identified with prices higher than the 10% tolerance limit due to limited quantities and supply chain issues post Coronavirus Pandemic 2019 (COVID-19). MDCR values Aramark's efforts to provide substitute products when supplies were low and in demand. Additionally, it also may be difficult to compare prices of commissary items in FY 2023 with prices of comparable products sold in the community in an audit conducted a year later. Going forward, Aramark will maintain a record of items listed on the Active Items list that are introduced throughout the year and not included on the Commissary Menu to avoid any discrepancies.</p> <p>To clarify, the Active Items List includes all Aramark products available to inmates to include the Commissary menu items, promotional items, seasonal items, and substitute items as approved by MDCR and all such items would not be included on the commissary menus. MDCR does maintain a copy of the commissary menus and readily provides them to the inmates as needed. An electronic version of the menu is also accessible to the inmates via the kiosk. Additionally, MDCR does maintain electronic copies of the completed Fair Market Pricing survey.</p>	<p><u>Unresolved</u></p> <p>In reviewing the Fair Market Value (FMV) Survey completed on behalf of Aramark, we identified 11 of 15 items sampled with a price higher than ICD's FMV Survey price analysis. There was also no formal approval of the Commissary Menus that were approved by the Department.</p>

Miami-Dade Corrections and Rehabilitation Department (MDCR)
 Inmate Commissary Operations & Welfare Trust Fund Review
 Status of Prior Report Findings

Finding ¹	Recommendation ¹	Response ¹	Current Status
User Access Privileges			
<p>As noted in the prior year Report, access to the Aramark Core Banking System (System) does not reflect proper segregation of duties for certain functionalities. We reviewed the System user access, specifically those individuals from the Inmate Finance Department, within the Bureau of Budget and Finance, with access to perform Bank reconciliations, noting four individuals have access to perform Bank reconciliations, as well as other functions, such as make a deposit, do a journal entry, and void a transaction.</p>	<p>The Department should evaluate the number of users with System access for specific functions to determine if such access is warranted and make necessary changes to ensure adequate segregation of duties always exist.</p>	<p>MDCR will continue to evaluate and adjust System access as necessary to meet operational need. MDCR has removed the access of two supervisory employees, leaving only two people with access. In response to a recommendation from the previous Report, MDCR had already segregated duties based on the required tasks but had maintained the system access for four employees based on their specific functions.</p>	<p><u>Unresolved</u> The system access continues to lack proper segregation of duties.</p>
Inmate Welfare Fund Expenditures			
<p>Per the <i>Departmental Standard Operating Procedure (DSOP) 21-002 Inmate Welfare Fund (IWF)</i>, all approved IWF expenditure request memorandums shall be processed in accordance with <i>DSOP 5-015 "Purchase Requests"</i> and <i>DSOP 5-010 "Accounts Payable"</i>.</p> <p>During the FY ended September 30, 2023, ICD selected 35 expenditures for review, noting these expenditures were the result of commissary operations; approved by the IWF Committee prior to the goods being invoiced and the expense incurred; acknowledgement of receipt of goods was evident; invoice was received timely, approved for payment, paid within 45 days of receipt; the expenditure was reasonable; and verified the vendor with on-line data available.</p> <p>We noted that Aramark and another vendor did not submit the invoices in a timely manner. ICD compared the invoice date with the date the invoice was received, as per the <i>INFORMS</i> payment record and noted six of 35 invoices were submitted between 49 and 223 days after the invoice date. We were informed that Aramark had issues with submitting invoices in <i>INFORMS</i> which created a backlog of invoices. The Department assisted Aramark with the resulting backlog of invoices. Three of the six invoices submitted late, between 49 and 202 days, were part of the backlog issue.</p> <p>Additionally, seven invoices were not paid in a timely manner, between 48 and 11 days, and another eight expenditures were approved by the IWF Committee after the purchase was completed. In one (of eight) instance, the IWF Committee approved the purchase of the expenditure including a 20% contingency, however, the invoice received was 20% higher than the amount approved. The IWF Committee approved the supplemental expenditure after the invoice was received.</p>	<p>The Department should ensure that invoices are approved prior to purchasing the items, vendors submit their invoices in a timely manner and payments are made within 45 days of receipt, as required by the <i>DSOPs</i>.</p>	<p>MDCR concurs with this finding and will ensure that invoices are approved prior to procuring items. To ensure required approval by the IWF Committee is obtained prior to purchase, MDCR submits an approval memorandum for recreational and hygiene items to the IWF Committee for entire fiscal year to ensure items are available as needed.</p>	<p><u>Unresolved</u> One of the 15 invoices tested was not paid within 45 days of receipt. MDCR is also not following the policies and procedures of the <i>DSOP 21-002 Requests for Expenditures from Inmate Welfare Fund</i>.</p>

**Miami-Dade Corrections and Rehabilitation Department (MDCR)
Inmate Commissary Operations & Welfare Trust Fund Review
Status of Prior Report Findings**

Finding ¹	Recommendation ¹	Response ¹	Current Status
Adjustments to Commissary Prices			
<p>The Contract stipulates that Aramark shall review the entire Master Menu and make appropriate price adjustments once per year and obtain approval by the Department. Any proposed pricing increase shall not exceed the latest issue of the Consumer Price Index (CPI). However, the Department granted two menu price increases to Aramark which is in noncompliance with Contract terms. In January 2023, the Department approved a retroactive price adjustment ("Claw Back") for the period of July 2021 through December 2022, based on the 2021 CPI of 5.1%. The Claw Back was approved by the Deputy Director for \$133,413 and was deducted from the December 2022 commission of \$154,808 due to the County. Additionally, Aramark along with the Department Administration verbally approved an increase of 10% to menu prices which became effective in July 2022.</p>	<p>Prospectively, and to avoid noncompliance with contractual agreements, the Department should thoroughly review the prices of the Commissary Menu to ensure appropriate price increases are captured when the menu is approved, which should not exceed annual frequency and approval evidenced in writing.</p>	<p>MDCR does thoroughly review requests for price increases to ensure consistency with the completed FMV report. MDCR will ensure price increases occur only annually and are approved in writing. Please note that former Deputy Director Cara Tuzeo approved a price increase of 10% to menu prices In July 2022, as well as an adjustment to MDCR commission ("Claw Back") in January 2023, compensating Aramark for increased product costs they incurred during the period of July 2021 through December 2022.</p> <p>Regarding approvals in writing, the Department will ensure Aramark collaborates closely with the County's Project Manager when requesting an increase to the price of commissary menu items. The County's Project Manager shall approve the proposed price increase based on the executive summary provided by Aramark. Aramark shall request an increase to the price of commissary items once per year pursuant to the terms of the contract not to exceed the FMV as set forth in Section 951.23 of the Florida Statute.</p>	<p><u>Unresolved</u> Sixty of 71 items from the prior year commissary menu had price increases that exceeded the allowed CPI.</p>
Inventory Management			
<p>Per the <i>Inmate Welfare Fund DSOP 21-002</i>, expenditures for the inmates may include recreational items, inmate program items, inmate supplies, recreational and legal reading materials and other items to promote the health and welfare of the inmate population. ICD noted that an inventory record was not in existence during FY 2023.</p> <p>The Department maintains two inventories, since the Inventory System has a quantity limit of 32,000, which is inconsistent with inventory levels maintained, such as 122,400 washcloths in inventory at the time of our physical count. In September 2024, the Department commenced recording warehouse items in both an Inventory System and a Manual Record due to the system limitation. We physically counted a sample of items on the shelves, and the physical count agreed to both the Inventory System and Manual Record.</p>	<p>Management should ensure a formal inventory process is always in place, to ensure items purchased through the IWF are safeguarded upon receipt and distribution is accounted for. This process should be added to the <i>DSOP</i>. Additionally, the Inventory System should be evaluated to determine if it has the capability to remove the quantity limit to provide an effective and efficient inventory.</p>	<p>During the audit period, this IWF inventory process was managed by a different bureau. However, the Materials Management Bureau began managing a formal inventory process of items purchased through the IWF in June 2024. This process ensures items are safeguarded upon receipt and distribution is accounted for. The automated system is primarily an ordering system that has a quantity limit. However, there is a manual inventory process of the IWF used to monitor and record all items procured and distributed within MDCR facilities and suitable for appropriate oversight. MDCR is exploring options for an electronic inventory and warehouse system that can handle large volumes of data, ensure real-time tracking and reporting, and enhance the processes and improve the efficiency of MMB.</p>	<p><u>Partially Resolved</u> A formal inventory process has not been documented in a DSOP. In addition to the Warehouse Inventory System, an IWF Manual Log is maintained.</p>

¹ For the full text, see Report dated February 12, 2025, inclusive of the Department's Response.

Memorandum



Date: September 30, 2025

To: Ofelia Tamayo, Director
Internal Compliance Department

From: Sherea R. Green, Director
Miami-Dade Corrections and Rehabilitation Department

Subject: Response to Draft Audit Report
2024 Aramark Contract (RFP-012027) and Inmate Welfare Trust Fund Review

This memorandum is in response to the Internal Compliance Department's (ICD) draft audit report regarding the five-year Agreement for Inmate Commissary and Banking Services (Contract) between the Miami-Dade County (County) Corrections and Rehabilitation Department (Department) and Aramark Correctional Services, LLC (Aramark), as well as the Inmate Welfare Trust Fund for the Fiscal Year (FY) ending September 30, 2024. The audit was conducted as statutorily required to assess controls over commissary operations, verify staff adherence to applicable policies and procedures, and evaluate vendor compliance with key contract provisions. The Department would like to thank you and your staff for completing this audit. Your observations and recommendations are welcomed as part of our ongoing efforts to implement best practices in administrative and financial operations.

The draft report has been carefully reviewed, and MDCR concurs with ICD's findings and recommendations. As such, MDCR is working to implement corrective actions to improve our processes and enhance transparency and accountability. Please accept our written responses in accordance with Administrative Order 3-7, Disposition of Audit Reports.

FINDINGS AND RECOMMENDATIONS

Deficiencies in Commissary Fulfillment

ICD Recommendation: The Department should thoroughly review the Weekly Summary Report received from Aramark to ensure compliance with the contracted fill rate of 99%, including mathematical accuracy, but should also ensure that the report is complete (no fields left blank). Supporting documentation for amounts used in the computation should be periodically requested from Aramark to ensure accuracy of information being reported.

Department Response: MDCR will collaborate with Aramark to ensure the weekly report is completed in full and that all associated calculations are verified for accuracy. If the report does not reasonably support adherence to the 99% fill rate requirement, the Department may propose a supplemental agreement designed to establish terms that are equitable and operationally feasible for both parties. Periodic audits are conducted by comparing a sample of pick tickets against the Fulfillment Report for each facility, which are critical in validating the accuracy of Aramark's reporting.

ICD Recommendation: Aramark should evaluate alternatives to enhance the WSR to reflect, within the same week, the orders filled along with the corresponding missing items credit.

Department Response:

Due to the current paper-based delivery process, missing items are recorded in the system only upon receipt of the corresponding documentation. Consequently, this timing does not always align with the same week of production and delivery. To address this, Aramark has proposed a digital solution involving a signature capture device, which would log missing items directly into the system upon

synchronization. This enhancement would enable more accurate reporting of missing items within the correct production and distribution week. However, recognizing that these alternatives may be time-consuming for commissary staff, the Department may propose implementing a weekly report in arrears by one week, allowing Aramark to submit a complete report along with the corresponding credits for missing items.

ICD Recommendation: The Department should document and maintain a record of when the pick tickets with missing items are provided to Aramark and periodically review if the inmates are receiving credit within a reasonable time frame.

Department Response: To enhance transparency and oversight, MDCR has implemented a tracking system to document the date and time when pick tickets with missing items are submitted to Aramark within 48–72 hours. This system supports more effective monitoring of credit issuance timelines, and periodic reviews will be conducted to verify that inmates receive appropriate credits in a timely manner.

ICD Recommendation: Aramark should apply credit within the close of business on the next working day, as per Contract terms.

Department Response: MDCR is working with Aramark to improve processing times and ensure that credits are applied as promptly as possible. For returned items, the Department will reinforce the contractual requirement that credits be issued by the close of business on the next working day following the return, with any deviations documented and addressed.

Fair Market Value Pricing of Commissary Items

ICD Recommendation: Aramark should provide the Executive Summary Report on an annual basis, along with the Fair Market Value survey, as required per the Contract.

Department Response: MDCR will ensure that Aramark submits the Executive Summary Report and the Fair Market Value (FMV) survey annually, in accordance with the contract, as these documents are essential for evaluating price increase requests and ensuring adherence to contractual pricing standards.

ICD Recommendation: The Department should: a) work with Aramark to lower the menu prices to acceptable standards; b) establish a formal process which includes how the testing of the Fair Market Value Study is conducted, as well as the criteria used in selecting the sample; c) retain the documentation supporting the testing; and d) maintain a record of the approved Commissary Menu.

Department Response: During the most recent FMV review, MDCR identified 60 commissary items with price increases exceeding the allowable Consumer Price Index (CPI) threshold. In response, the Department will coordinate with Aramark to ensure these prices are adjusted to align with acceptable standards. To strengthen oversight, the Department will implement a formalized process for conducting FMV testing, including clearly defined criteria for sample selection and methodology. All supporting documentation related to FMV testing will be retained to ensure transparency and facilitate future audits. Additionally, the Department will maintain a comprehensive and up-to-date record of the approved Commissary Menu, with all pricing adjustments and menu approvals formally documented and authorized by the Department's Project Manager.

Untimely Receipt of Reports

ICD Recommendation: The Department should continue to actively encourage Aramark to comply with the requirements for submitting monthly reports and invoices, as outlined in the Contract.

Department Response: An evaluation of the commissary's monthly invoice submissions was conducted in March 2025 and revealed that Aramark achieved a 77% on-time rate for the required five-day reporting period, covering October 2023 through February 28, 2025. MDCR has been working closely with Aramark to improve their on-time submission rate. Since March 2025, Aramark has demonstrated full compliance with the monthly reporting requirements. We would like to share that MDCR consistently ensures that payments and commissions are settled within the 45-day contractual period.

Inmate Welfare Fund Expenditures

ICD Recommendation: The Department should ensure that approval memorandum are approved prior to purchasing the items and payments are made within 45 days of receipt, as required by the DSOPs.

Department Response: MDCR will continue to enforce compliance with DSOP 5-015 and DSOP 5-010 to ensure that all expenditure requests are properly approved prior to procuring goods and or services.

ICD Recommendation: The Department should implement the memorandum requirement consistently for all expenditures, including those processed under a Blanket Purchase Order, to ensure uniform documentation and approval practices or amend the DSOP to clearly document that a memorandum is not required when submitting a Blanket Purchase Order.

Department Response: MDCR will implement the approval memorandum for purchases processed under a Blanket Purchase Order.

ICD Recommendation: The Department should strengthen the pre-approval process by confirming the correct account is disclosed in the IWF memorandum prior to submission for approval and implement checks within the payment process to ensure the account charged matches the account listed in the approved memorandum.

Department Response: A representative of the Budget and Finance Bureau participates in the IWF Committee and reviews all IWF approval memorandum to ensure the correct account information is included.

ICD Recommendation: The Department should conduct periodic verification of expenditures charged to promptly reclassify any errors identified.

ICD Recommendation: The Department should ensure all agreed upon contractual costs are accurately reflected in invoices received and paid and maintain a record of agreed upon prices based on the Supplemental Agreement.

Department Response: MDCR will implement periodic reviews of IWF expenditures to identify and promptly correct any misclassifications. These reviews will ensure that all invoices paid accurately reflect the agreed upon contractual costs.

Inventory Management

ICD Recommendation: The Department should establish a formal inventory process to ensure items purchased through the IWF are safeguarded upon receipt and distribution is accounted for, as well as maintaining records of counts, reconciliations and investigation of discrepancies. This process should be added to the DSOP.

Department Response: MDCR does have a formal inventory process to account for items purchased through the IWF. MDCR maintains detailed records of item counts and, reconciliation activities in both the Warehouse Ordering System and in a manual inventory log.

ICD Recommendation: The Department should reassign responsibilities to ensure the functions to receive orders, record counts, reconcile counts, safeguard the inventory, and approve orders is distributed among the staff.

Department Response: MDCR is reviewing the feasibility of restructuring inventory-related responsibilities to ensure appropriate segregation of duties.

ICD Recommendation: The Department should enhance the Inventory System to be able to track all items in the Department's custody within one record.

Department Response: MDCR has been working with the Information Technology Department (ITD) for several months to implement the Enterprise Asset Management System (EAMS), which will consolidate inventory tracking for all warehouse items, including those purchased through the IWF and eliminate the need for dual records and improving accuracy and efficiency.

ICD Recommendation: The Department should ensure all records of physical inventory, both annual and monthly, are dated, signed by the individuals conducting the inventory and maintained for recordkeeping.

Department Response: MDCR will ensure that all physical inventory documentation, both annually and monthly, is properly dated, signed by the individuals conducting the inventory. The records will be retained in accordance with the Department recordkeeping requirements

ICD Recommendation: The Department should conduct periodic reconciliations between IWF requests, expenditures, and items maintained in the Manual Record to ensure that IWF items are properly tracked.

Department Response: MDCR has implemented periodic reconciliations between IWF expenditure records and warehouse inventory have been established to ensure that all items are properly tracked and accounted for. These reconciliations will be documented and reviewed regularly to maintain transparency and accountability.

Segregation of Duties:

ICD Recommendation: The Department should reassign responsibilities, as possible, to minimize conflicts with segregation of duties.

Department Response: MDCR will evaluate and implement necessary adjustments to further segregate responsibilities and minimize potential conflicts within the Inmate Finance Unit. MDCR remains committed to continuously improving internal controls while ensuring transparency and accountability in all financial operations.

Most financial transactions are processed through the CORE banking system where each transaction is date-stamped and linked to the responsible employee to ensure accountability. Bank reconciliations are conducted by a designated employee, with a secondary employee assigned as backup only when

necessary. In response to the ICD's recommendation, the secondary employee has been removed from this role and may be reinstated only if operational needs require it.

ICD Recommendation: The Department should properly safeguard checks or deposits by properly limiting physical access.

Department Response: MDCR will further enhance its process of safeguarding checks and deposits processed at Headquarters by securing checks/deposits that are already placed in a locked bag in the safe, located in a restricted storage room under surveillance camera until transferred to the Turner Guilford Knight Correctional Center (TGKCC) to be picked up by armored car.

ICD Recommendation: The Department should evaluate the alternatives available to process deposits efficiently.

Department Response: Deposits from both MDCR Headquarters and TGKCC are centralized at the TGKCC property room for final processing. Inmate Finance staff reconcile these deposits and prepare a single deposit bag, which is picked up by armored car services twice a week in accordance with Miami-Dade County's contractual agreement. The Department will continue to evaluate opportunities to enhance the efficiency of this process while maintaining strict compliance and security standards.

Please feel free to contact Deputy Director Veronica M. Salom at (786) 263-6049 should you require any additional information or clarification. Thank you for the opportunity to review and respond to the findings in the draft audit report. We also sincerely appreciate the assistance, valuable input, and the recommendations provided by ICD.

SG/sb

- c: Veronica M. Salom, Deputy Director of Administration
Gato Jackson, Chief of Facility Support Division
Daphne Killing-Moore, Commander of Materials Management Bureau
Seraphin Bernard, Commander of Budget and Finance Bureau