



SIX MONTH STATUS REPORT

April 1, 2021 – September 30, 2021

John A. Carey, Inspector General



OIG MISSION

- **Our mission is to provide independent and objective insight, oversight, and foresight in promoting integrity, efficiency, and overall effectiveness in government.**
- **Ultimately, enhancing public trust in government.**

MAKING GOOD GOVERNMENT BETTER

OUTLINE



- **PERSONNEL**
- **OIG ACTIVITIES (Apr 1, 2021 – Sep 30, 2021)**
- **BUDGET AND STAFFING**
- **PLANS, OBJECTIVES, & INITIATIVES**
- **SUMMARY OF MAJOR ACCOMPLISHMENTS**

NEW OIG TEAMMATES



Frank Frank

Contract Oversight Specialist/Evaluator

Lizette McGowan

Investigator

Chelsea Flint

Investigator

Hank Nagel

Auditor

Nicole Spence

Auditor





STAFF ACCOMPLISHMENTS

Chris Dyckman
**Promoted to Investigator III/
Supervisor**

DJ Lormistois
**Certified Inspector General
Investigator**

Tiffany Thomas
Certified Fraud Examiner

Shonnelle Brathwaite
Certified Inspector General Auditor

Kalinthia Dillard

- **Chair, The Florida Bar's Professional Ethics Committee**
- **Co-Chair, the PBC Bar Association's Professionalism Committee**
- **Member, Leadership Florida, Cornerstone Class 39**

INSPECTOR GENERAL'S SIX MONTH REPORT



April 1, 2021 – September 30, 2021

Office of Inspector General Activities Related to:

- **COVID-19 Related Activities (Total to date)**
- **Intake and Investigations**
- **Contract Oversight and Evaluations**
- **Audit**
- **Training and Outreach**

INSPECTOR GENERAL'S SIX MONTH REPORT



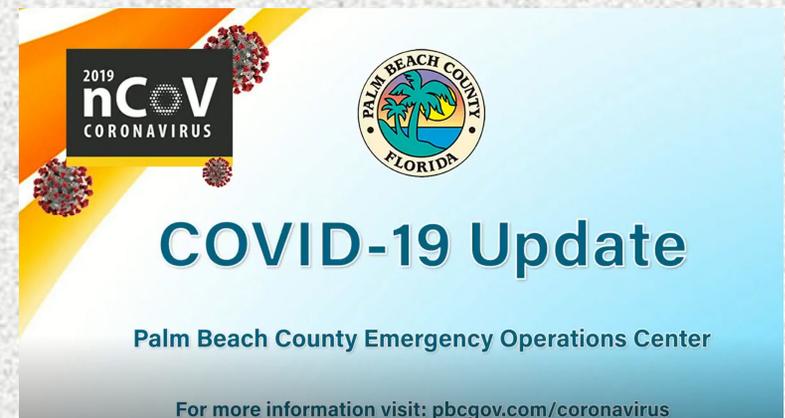
April 1, 2021 – September 30, 2021

COVID-19 Related OIG Activities

COVID-19 RELATED OIG ACTIVITIES



- The County has received over \$750 million in federal and state COVID-19 relief funding.
- The County is expending these funds on a broad spectrum of relief programs.
- Our goal is to provide independent oversight in disbursing these funds.



TOTAL COVID-19 RELATED OIG ACTIVITIES (MAR 12, 2020 – SEP 30, 2021)



- **87 Complaints or Intake Correspondences**
- **9 Completed Reviews/Evaluations**
- **2 Open Reviews/Evaluations**
- **5 Completed Investigations**
- **13 Open Preliminary Inquiries**
- **16 Open Investigations**
- **18 Referrals to Other Organizations**



INSPECTOR GENERAL'S SIX MONTH REPORT



April 1, 2021 – September 30, 2021

Intake and Investigations Highlights

INSPECTOR GENERAL'S SIX MONTH REPORT



Intake Activities

Current 6 Months	
108	Complaints of wrongdoing
22	Intake Activities led to: <ul style="list-style-type: none"> - 7 Investigations - 3 Referrals to OIG Contract Oversight and Evaluations Division - 4 Referrals to LEAs or COEs - 3 Management Inquiries - 5 Management Referrals
17	Public Records Requests

Previous 6 Months	
88	Complaints of wrongdoing
30	Intake Activities led to: <ul style="list-style-type: none"> - 10 Investigation - 4 Referrals to OIG Contract Oversight and Evaluations Division - 3 Referrals to LEAs or COEs - 1 Management Inquiry - 12 Management Referrals
12	Public Records Requests

INSPECTOR GENERAL'S SIX MONTH REPORT



April 1, 2021 – September 30, 2021

Investigative Activities

	Current 6 Months	Previous 6 Months
On-going Investigations or Investigative Reviews	26	15
Referrals to Law Enforcement or to County or State Commissions on Ethics	6	3
Issued Reports	6	2
Recommendations Made	8	4
Recommendations Accepted	6	4

INSPECTOR GENERAL'S SIX MONTH REPORT



Investigative Report 2020-0006: Fire Rescue Use of Facilities for Profit

ALLEGATION:

- **A Palm Beach County Fire Rescue Chief held training classes for Fire Rescue employees he supervised for a fee at Fire Rescue facilities, in violation of Fire Rescue policy.**

FINDING: SUPPORTED

- **We made two recommendations that assisted Fire Rescue in avoiding conflicts related to employees' outside employment.**
- **We referred to the Palm Beach County and the State Commissions on Ethics**



INSPECTOR GENERAL'S SIX MONTH REPORT



Investigative Report 2020-0007: Delray Beach Reclaimed Water Reporting

ALLEGATION:

- Delray Beach City staff and/or elected officials concealed and/or misrepresented their knowledge of issues with drinking water when documenting and reporting the City's adherence to required protocols to the Florida Department of Health (FDOH).

FINDING: SUPPORTED

- Certain City mid-level staff were aware of at least one report of sickness caused by drinking water when, in December of 2018 the City reported to the FDOH that no reports of sickness or illness had been received.
- When the City senior staff discovered a cross-connection, they immediately notified FDOH and took steps to remedy the situation.



We made three recommendations designed to assist the City in making its processes better.

INSPECTOR GENERAL'S SIX MONTH REPORT



Investigative Review 2020-08-0008: Custodial Services Provided to Palm Beach County During the COVID-19 Pandemic

WHAT WE DID:

- **A limited scope review of custodial contract services provided to the County during the COVID-19 pandemic.**



WHAT WE FOUND:

- **Custodial contractors generally complied with cleaning requirements and contract terms.**
- **The County provided sufficient guidance and training, and properly paid contractors, and used CARES Act funds.**

INSPECTOR GENERAL'S SIX MONTH REPORT



Investigative Report 2021-0005: Kahna BG, 2015 LLC – False Statements on CARES Act Grant Application

ALLEGATION:

- Belle Glade hotel company Kahna BG submitted a Restart Business Grant application with untrue and inaccurate statements, which resulted in receiving improper County grant funding.

FINDING: SUPPORTED

- The application failed to disclose that Kahna BG had received Payroll Protection Program (PPP) funding.
- The application specifically required the disclosure of PPP funding, which would have decreased the amount of Restart Business Grant funding by the amount of the PPP funding.



Identified Costs
\$15,212

We made one recommendation, that the County seek reimbursement of \$15,212 from Kahna BG. This amount was received in June, 2021.

INSPECTOR GENERAL'S SIX MONTH REPORT



Investigative Report 2021-0014: Kahna SB, 2015 LLC – False Statements on CARES Act Grant Application

ALLEGATION:

- South Bay hotel company Kahna SB submitted a Restart Business Grant application with untrue and inaccurate statements, which resulted in receiving improper County grant funding.

FINDING: SUPPORTED

- The application failed to disclose that Kahna SB had received Payroll Protection Program (PPP) funding.
- The application specifically required the disclosure of PPP funding, which would have decreased the amount of Restart Business Grant funding by the amount of the PPP funding.

We made one recommendation, that the County seek reimbursement of \$3,750 from Kahna SB. This amount was received in September, 2021.



Identified Costs
\$3,750

INSPECTOR GENERAL'S SIX MONTH REPORT



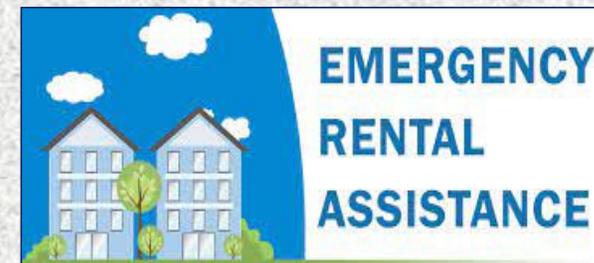
Investigative Report 2021-0002: False Representations on CARES Act Rental Assistance Applications

ALLEGATIONS:

- A CARES Act rental assistance applicant provided false information in her applications.
- The applicant had more than \$5,000 in liquid assets at the time of her application and therefore did not meet eligibility requirements.

FINDINGS: SUPPORTED

- The applicant submitted falsified documents to the County in support of rental assistance.
- The applicant had more than \$5,000 in liquid assets on the date of her first rental assistance application.



**Identified Costs
\$10,000**

We made one recommendation, that the County seek reimbursement of \$10,000 from the applicant.

INSPECTOR GENERAL'S SIX MONTH REPORT



April 1, 2021 – September 30, 2021

Contract Oversight and Evaluations Highlights

INSPECTOR GENERAL'S SIX MONTH REPORT



April 1, 2021 – September 30, 2021

Contract Oversight and Evaluations

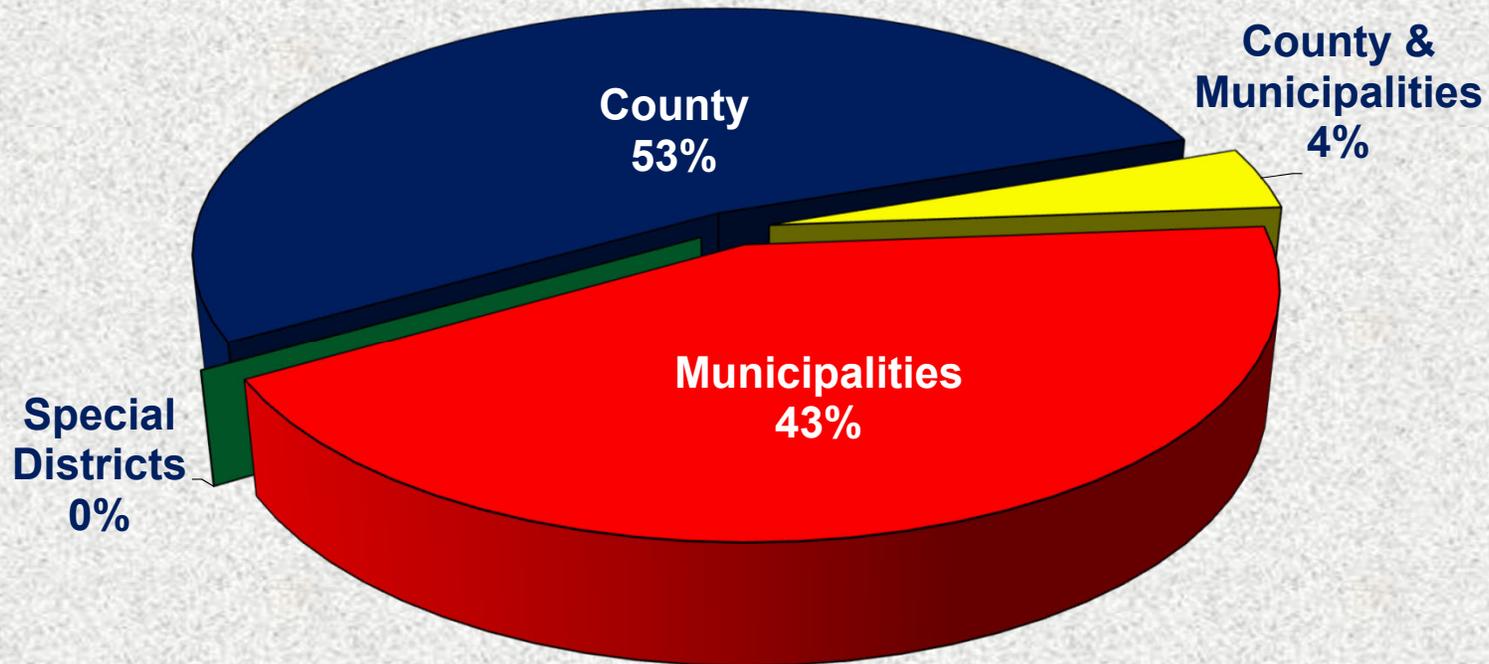
	Current 6 Months	Previous 6 Months
On-going Formal Reviews/Evaluations	1	1
Issued Reports	0	3
Recommendations Made	0	1
Recommendations Accepted	0	1
Issued Tips and Trends	2	1

INSPECTOR GENERAL'S SIX MONTH REPORT



April 1, 2021 – September 30, 2021

Contract Oversight and Evaluations Monitored Activities



INSPECTOR GENERAL'S SIX MONTH REPORT



Two Tips and Trends Issued – Contract Oversight and Evaluations

Local Preferences Prohibited in Solicitations for State-Funded Construction Services & Public Works Projects

- **Florida Statutes amendment to prohibit certain actions in solicitations for construction services and public works projects that are funded with state-appropriated funds.**

Use of Drones by Government Agencies

- **Florida's Unwarranted Surveillance Act was amended to further define acceptable and prohibited uses of drones by government agencies.**
- **Also added that drone inventories and new drone purchases are limited to Florida Department of Management Services approved manufacturers only.**

CONTRACT OVERSIGHT AND EVALUATIONS - COVID-19



2 Open Reviews/Evaluations

- **CARES Act Administration Review**
 - **County grants compared to SBA PPP loan data**
 - **\$4.5M in municipal reimbursement requests, of which the County paid \$3.8M**

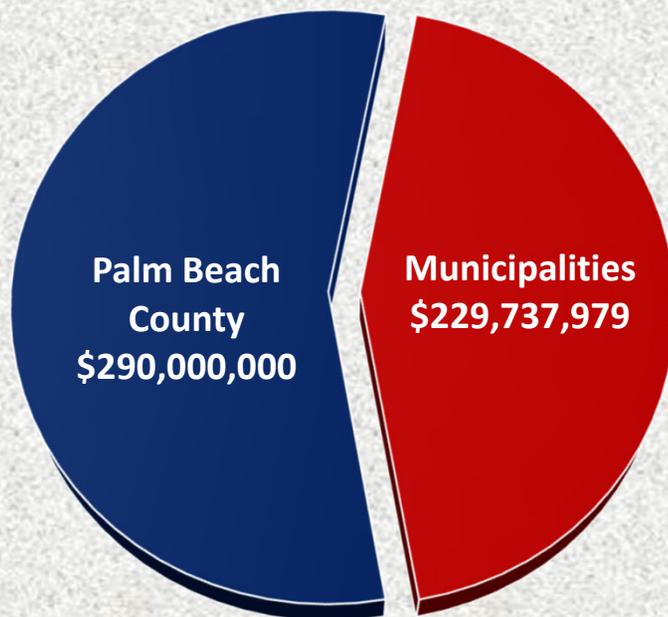
- **American Rescue Plan Act**
 - **Tracking \$519.7M in funding for County and Municipalities**

CONTRACT OVERSIGHT AND EVALUATIONS - COVID-19



American Rescue Plan Act Funding

\$519.7M



- 50% May 2021; 50% May 2022
- May only be used to:
 - Support public health
 - Address negative economic impacts
 - Replace public revenue
 - Premium pay for essential workers
 - Invest in water, sewer, and broadband
- Not for tax revenue offset or pension funding
- Funding divided by states, counties, metropolitan cities, and Non-Entitlement Units (<50K pop.)

INSPECTOR GENERAL'S SIX MONTH REPORT



Contract Oversight Activities Much of our impact happens “below the water line.”



INSPECTOR GENERAL'S SIX MONTH REPORT



Example of COE “below the water line” activities: Village of Wellington Renovation of Skate Park

LIMITED SCOPE INSPECTION:

We inspected the Village of Wellington’s construction project (a \$150,000 Surtax Funded project) to demolish and construct a new skate park.



RESULTS:

We found the skate park was constructed in accordance with the terms of the contract, and complied with the applicable regulatory requirements.



INSPECTOR GENERAL'S SIX MONTH REPORT



April 1, 2021 – September 30, 2021

Audit Highlights

INSPECTOR GENERAL'S SIX MONTH REPORT



April 1, 2021 – September 30, 2021

Audit Activities

Current 6 Months

Previous 6 Months

Audit Activities	Current 6 Months	Previous 6 Months
On-going Audits	13	12
Issued Reports	4	3
Recommendations Made	24	39
Recommendations Accepted	24	39
Questioned Costs and Potential Cost Savings	\$141,796	\$219,972

INSPECTOR GENERAL'S SIX MONTH REPORT



Audit Report 2021-A-0004 – Interlocal Agreement for Law Enforcement Services between Palm Beach County and the Town of Jupiter

FINDING:

The Town's invoices did not always include warning documentation as required by the Agreement and contained errors and discrepancies between hours the Town invoiced to the County for reimbursement and the hours the Town paid to officers as reflected in payroll documentation.



Recommendation:

- The Town implemented a review and oversight process to ensure invoices submitted to the County are accurate and include all required supporting documentation.

INSPECTOR GENERAL'S SIX MONTH REPORT



Audit Report 2021-A-0006 - Interlocal Agreement for Law Enforcement Services between Palm Beach County and the Village of North Palm Beach

FINDINGS:

- Village officers did not properly check in or check out for shifts reimbursed under the Agreement.
- The Village's invoices did not always include supporting documentation as required by the Agreement and contained errors and discrepancies.



Questioned Costs
\$15,631.87
Identified Costs
\$3,010.00



Recommendations:

- Implement a check and balance to ensure that the radio call ins to dispatch match the payroll records.
- Implement a review and oversight to ensure all supporting documentation is included with the invoice.

INSPECTOR GENERAL'S SIX MONTH REPORT



Audit Report 2021-A-0005 –Town of Palm Beach – Internal Control and Data Security

FINDINGS:

- **Generally adequate controls for:**
 - Segregation of duties,
 - Physical security of computers and IT equipment,
 - Logical access controls and passwords,
 - Security breaches and incidents,
 - Malware and virus protection, and
 - Detecting misuse of information and monitoring information use.
- **Some weaknesses in internal controls and data security.**



Corrective Actions Taken:

- **Provided completed Acknowledgment forms for personnel.**
- **Performed user account and access reviews.**

INSPECTOR GENERAL'S SIX MONTH REPORT



Audit Report 2021-A-0007 - City of Lake Worth Beach – Travel

FINDINGS:

- Travel expenditures lacked adequate documentation and proper approvals, and were non-compliant with written requirements.
- City Manager's discretionary fund purchasing card purchases lacked review and oversight.
- Lack of adequate written guidance for the computer system processes.
- Complete and consistent records were not maintained for travel activities.

Questioned Costs
\$103,473.55

Identified Costs
\$3,242.45

Avoidable Costs
\$13,602.62



Recommendations:

- The City develop a travel training program for all travelers.
- The City implement an independent review process for discretionary funds purchasing card purchases by the City Manager.

INSPECTOR GENERAL'S SIX MONTH REPORT



April 1, 2021 – September 30, 2021

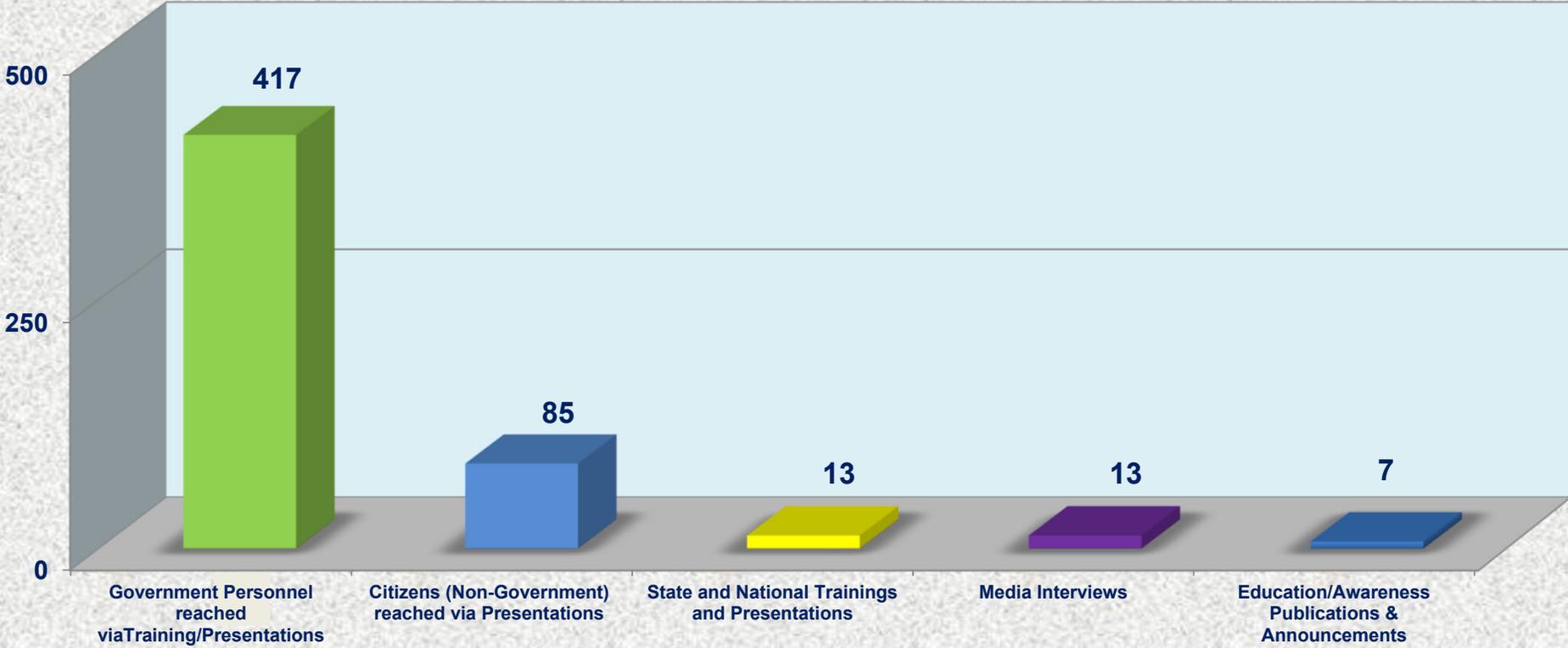
Training and Outreach

TRAINING AND OUTREACH



April 1, 2021 – September 30, 2021

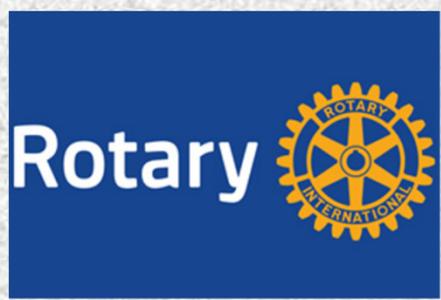
An ounce of outreach is worth a pound of enforcement.





TRAINING AND OUTREACH

Education/Awareness Publications, Announcements, and Activities



INSPECTOR GENERAL'S SIX MONTH REPORT



Shift from Six Months Activities to FY2021 Highlights



FY 2021 – ACCOMPLISHMENTS

Maintaining Credibility:

Feb 2021



Accreditation team's conclusion "100% in compliance with applicable standards set by CFA."

- **Re-accredited**
- **Peer Reviewed**
- **Professional Certifications**
- **Board Members state and local chapters**
- **Executive Board Association of IGs**
- **Chair, Professional Certification Board, AIG**

Sep 2021



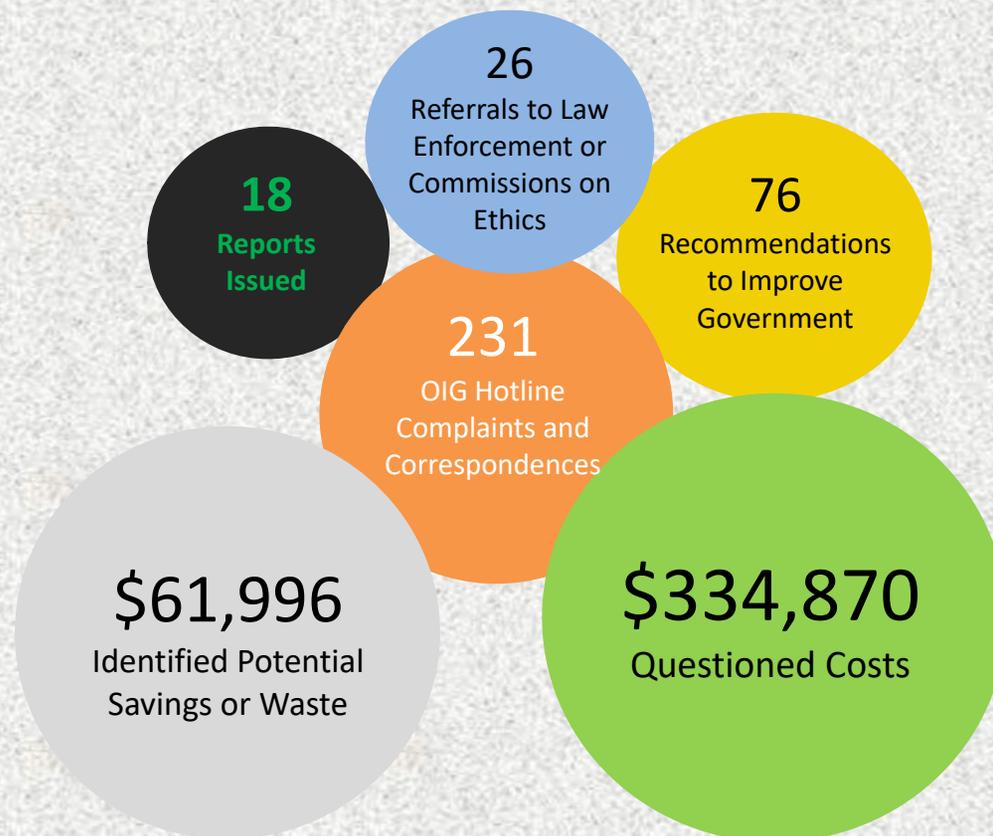
The Peer Review team's conclusion – the OIG "Met all current and relevant standards."

INSPECTOR GENERAL'S SIX MONTH REPORT



FY 2021 By the Numbers

***Promoting
Integrity,
Efficiency,
and
Effectiveness***

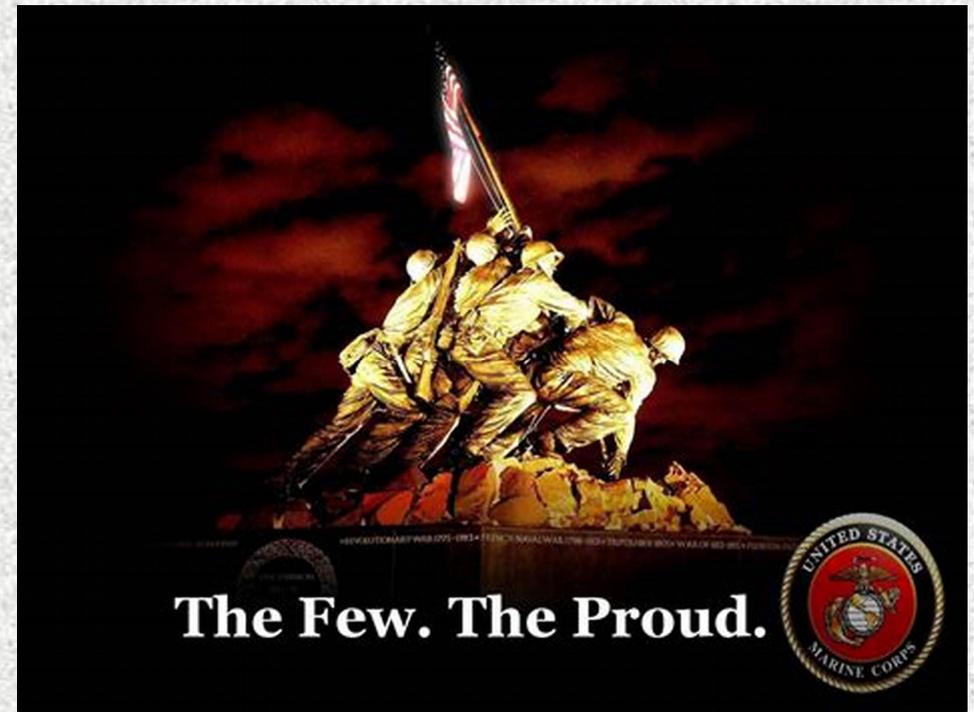
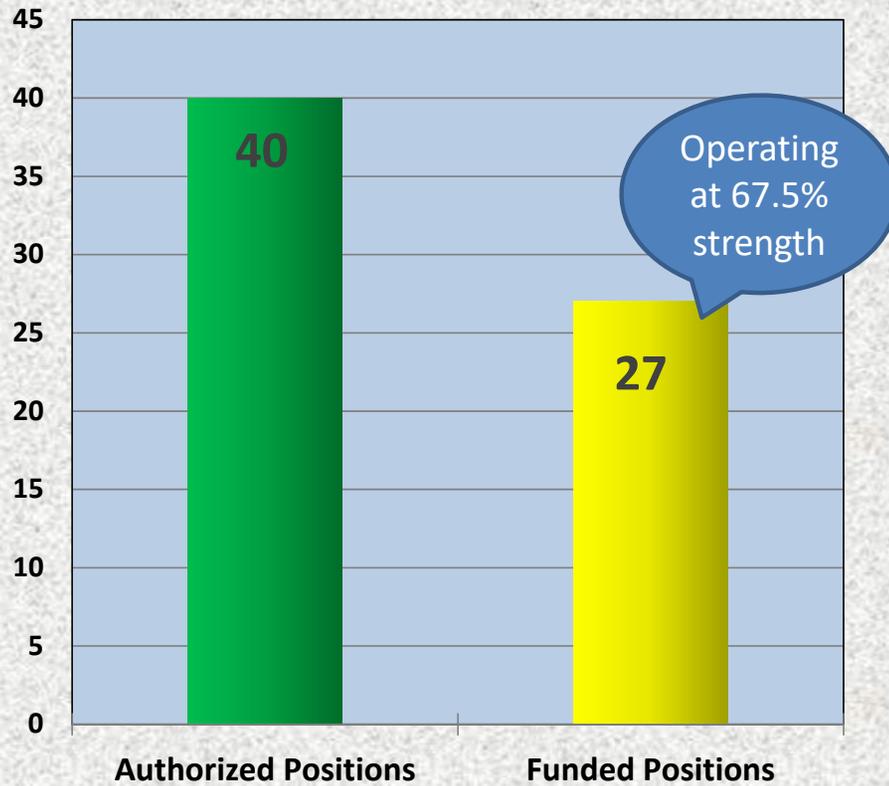


INSPECTOR GENERAL'S SIX MONTH REPORT



Budget and Staffing

INSPECTOR GENERAL BUDGET & STAFFING



INSPECTOR GENERAL'S SIX MONTH REPORT



Plans, Objectives, and Initiatives

PLANS, OBJECTIVES, AND INITIATIVES



OIG Vision Statement:

To promote positive change throughout local governments and public organizations in Palm Beach County with an **inspired** and **skilled** team that strives for **continuous** improvement.



PLANS, OBJECTIVES, AND INITIATIVES



- Publish FY 2021 Annual Report
- Execute Audit Plan
- Adapt and overcome



INSPECTOR GENERAL'S SIX MONTH REPORT



Audit Report 2022-AP-0001 - Fiscal Year 2022 Annual Risk Assessment and Audit Plan

Carryover Audits:

- **Revenue – Town of Juno Beach**
- **Accounts Payable/Cash Disbursements – City of Delray Beach**
- **Accounts Payable/Cash Disbursements – City of Boca Raton**
- **Payroll – Palm Beach County Fire Rescue**
- **Construction Contracts – Village of Tequesta New Community Center**
- **Contracts/Agreements – Community Based Agency Contract between Palm Beach County and The Urban League of Palm Beach County, Inc.**
- **Management Request – City of Pahokee Accounts Payable Expenditures/Cash Disbursements**
- **Management Request – City of West Palm Beach Fire Assessment Fee**

INSPECTOR GENERAL'S SIX MONTH REPORT

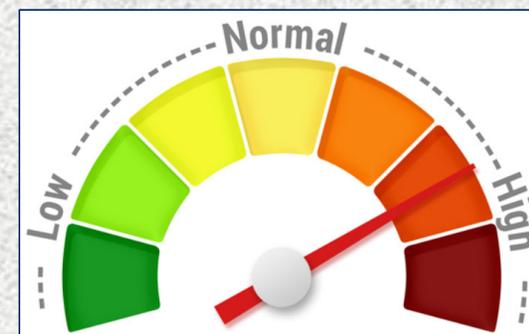


Audit Report 2022-AP-0001 - Fiscal Year 2022 Annual Risk Assessment and Audit Plan

Planned Audit Activities:

- **Contracts / Agreements**
- **Coronavirus Relief and Recovery Funds**
- **Construction Contracts**
- **IT Network Security**
- **IT Application Security**
- **Audit Recommendation Follow-up**

Risks



INSPECTOR GENERAL'S SIX MONTH REPORT



June 28, 2010 – September 30, 2021

SUMMARY OF MAJOR ACCOMPLISHMENTS TO DATE

ACCOMPLISHMENTS TO DATE



June 28, 2010 – September 30, 2021

We Listen.

- **12,200 (+)** Hotline/Office Calls and Correspondences

We offer an *independent* office for citizens in and out of government to bring concerns, questions, complaints.

OUTPUT: At the End of the Day, “Enhancing Public Trust in Government.”

ACCOMPLISHMENTS TO DATE



June 28, 2010 – September 30, 2021

We Guard and Save Taxpayers' Dollars.

- **\$49 (+) M** Found in Questioned Costs
- **\$24.2 (+) M** Found in Potential Cost Savings

OUTPUT: At the End of the Day, "Enhancing Public Trust in Government."

ACCOMPLISHMENTS TO DATE



June 28, 2010 – September 30, 2021

We Make Government Better.

- **1,196** Recommendations/Corrective Actions
- **95%** Management Acceptance Rate
- Share best practices
- Prevent bad practices

OUTPUT: At the End of the Day, “Enhancing Public Trust in Government.”



ACCOMPLISHMENTS TO DATE

June 28, 2010 – September 30, 2021

We Hold People Accountable.

- Investigations and Audits have led to **19 arrests and/or prosecutions.**
- **209** cases have been referred to Law Enforcement or Ethics Commissions.

In just 11 years of existence!

OUTPUT: At the End of the Day, “Enhancing Public Trust in Government.”



THANK YOU!

visit us online at www.pbcgov.com/OIG