



Promoting Integrity, Transparency,
and Accountability in Government

2021 ANNUAL REPORT

October 1, 2020 - September 30, 2021

Insight

Promoting efficiency
and effectiveness

Oversight

Holding government
accountable

Foresight

Preventing fraud,
waste, and abuse

“Enhancing Public Trust in Government”

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Citizens of Palm Beach County:



I am pleased to present our Office of Inspector General (OIG) Fiscal Year 2021 (FY2021) Annual Report, covering the activities of the OIG for the period of October 1, 2020 through September 30, 2021. This report summarizes our major efforts to promote integrity, efficiency, and effectiveness in government over the past year.

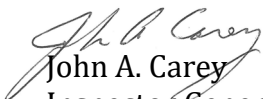
It is important to note that, with the persistence of the Coronavirus (COVID-19) pandemic, much of our efforts went to reviews of County programs dispersing federal Coronavirus aid funding and investigating pandemic-related complaints. This report will highlight some of these oversight activities.

Some of our most significant accomplishments in our independent oversight of the County government, the 39 municipalities within Palm Beach County, Solid Waste Authority, and the Children's Services Council include:

- **Guarding our taxpayers' dollars:** We discovered **\$334,870** in questioned costs and **over \$61,996** in potential cost savings to taxpayers in dollars or in future avoidable costs.
- **Promoting integrity in government:** We **referred 26 matters** to law enforcement, or the County or State Commissions on Ethics.
- **Preventing fraud, waste, and abuse/Providing oversight:** We monitored contract activities involving **millions of taxpayers' dollars**.
- **Making government better:** We made **76 recommendations** to management to facilitate compliance with regulations, or to be more efficient or effective.

I am grateful to work with such a dedicated OIG team serving the citizens of Palm Beach County. This report reflects their great work. Additionally, I want to thank the Inspector General Committee for its continued encouragement and insights. Finally, you, the citizens of Palm Beach County, continue to be the bedrock supporters of our office and mission. Public support and input is critical to our mission success. Thank you!

Sincerely,

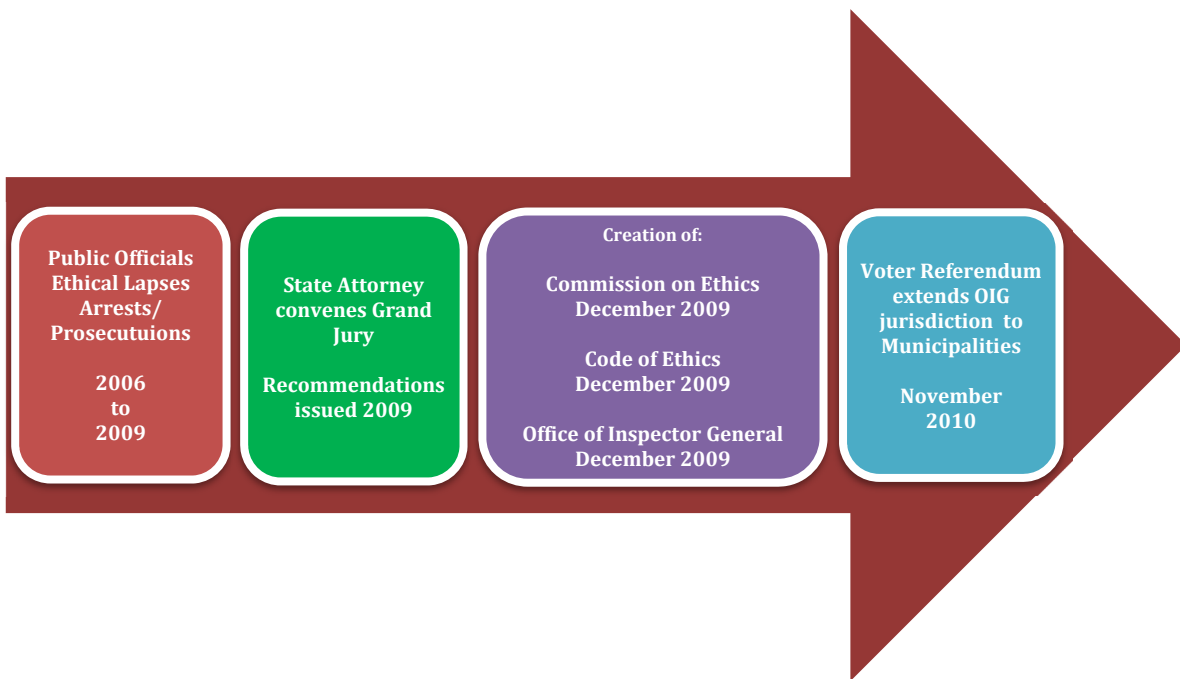

John A. Carey
Inspector General

Ultimately, an IG is a truth seeker, a finder of facts who measures those facts against standards. We're here to make government better.

HISTORY

Between 2006 and 2009, a series of federal public corruption prosecutions of elected officials from the Palm Beach County (PBC) Board of County Commissioners (BOCC) and the West Palm Beach City Commission led the State Attorney to convene a state grand jury. In early 2009, the grand jury issued its report, which included recommendations to create a County Code of Ethics, Commission on Ethics, and OIG. In response to that report, the County began a comprehensive effort to develop an ethics initiative aimed at promoting public trust in government and establishing a more transparent operating model for its citizens. In December 2009, the BOCC adopted an ordinance that established the OIG to oversee County government. In November 2010, 72% of the voters approved a countywide referendum to amend the County Charter and permanently establish the OIG. A majority of voters in each of the 38 municipalities within PBC that existed at the time approved an expansion of OIG jurisdiction to cover all municipalities within the county.

Palm Beach County Ethics Movement



The IG Committee selected Sheryl G. Steckler as the County's first IG in June 2010. The OIG enabling legislation, known as the IG Ordinance, was drafted in 2011 by the IG Drafting Committee, which was comprised of representatives from the municipalities, County, PBC League of Cities, citizens appointed by the County, and the Inspector General. Once completed, the IG Ordinance was unanimously approved by the BOCC with an effective date of June 1, 2011. John A. Carey became the County's second IG in June 2014.

MISSION, VISION, AND VALUES

Mission Statement (Why we exist and What we do)

Our purpose (why we exist) is to provide independent and objective insight, oversight, and foresight in promoting integrity, efficiency, and overall effectiveness in government.

Our promise (what we do) is to accomplish our purpose through audits, investigations, contract oversight, and outreach activities.

Vision Statement (Where we are going)

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.

Values (What we believe and How we behave)

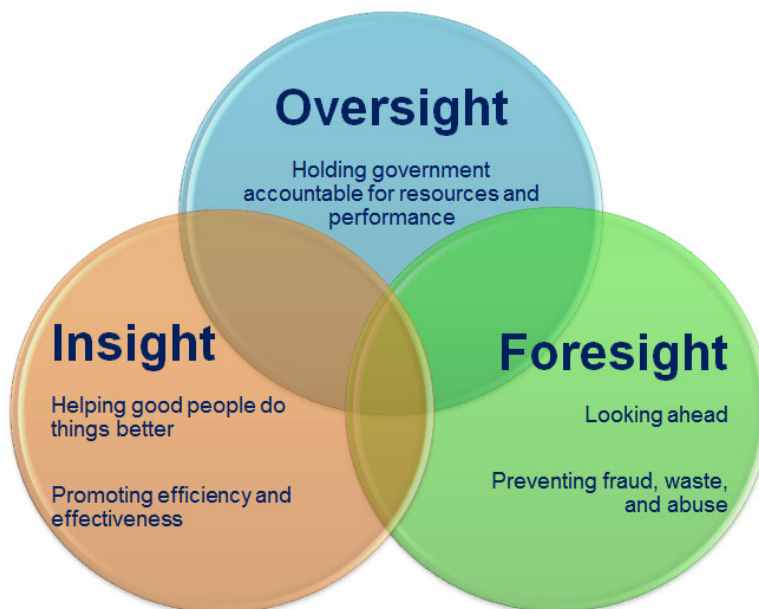
Professionalism – We take pride in our purpose, profession, products, results, and conduct.

Respect – We are respectful of others and recognize their value.

Integrity – We do the right thing, the right way, for the right reason.

Dedication – We are dedicated to our purpose, our work, and the people we serve.

Excellence – We strive for excellence in everything we do.



Our Motto

“Enhancing Public Trust in Government”

AUTHORITIES AND RESPONSIBILITIES

The purpose, duties, and responsibilities of the OIG are specified in the IG Ordinance (Article XII, Section 2-422 and 2-423, Palm Beach County Code). The IG Ordinance is available on our website at: [http://www.pbcgov.com/OIG/docs/ordinances/4 C ORD 2011-009 0517.pdf](http://www.pbcgov.com/OIG/docs/ordinances/4_C_ORD_2011-009_0517.pdf). Some of the functions, authority, powers, and mandated requirements include:

The Office of Inspector General Jurisdiction

The OIG jurisdiction covers the County government,¹ the 39 municipalities of Palm Beach County, and other entities that contract with the OIG (currently the Solid Waste Authority [SWA] and the Children’s Services Council [CSC]). All elected and appointed officials and employees, instrumentalities, contractors, their subcontractors and lower tier subcontractors, and other parties doing business or receiving funds of covered entities are subject to the authority of the OIG.



The Office of Inspector General Authorities

- The Office of Inspector General has the authority to receive, review, and investigate complaints regarding any municipal or County funded programs, contracts, or transactions.
- We can review and audit past, present, and proposed municipal or County funded projects, programs, contracts, or transactions.

¹ Excluding County Constitutional Officers, Judiciary, and Independent Special Districts unless contracted for services with the OIG.

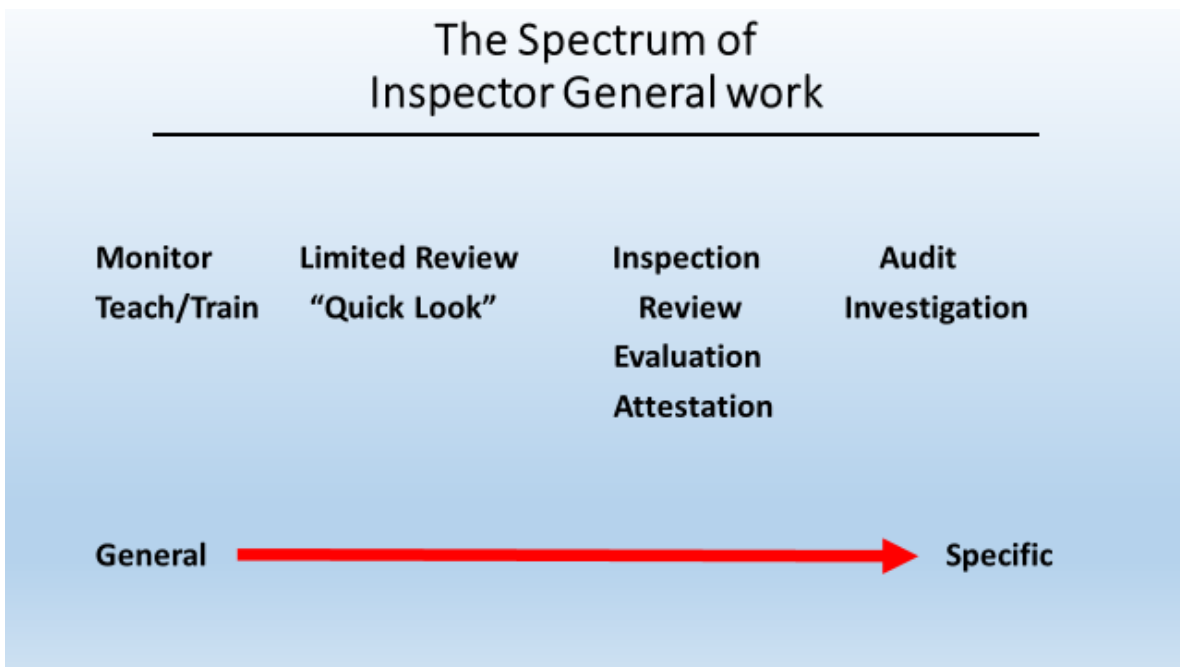
The OIG can require the production of documents and receive full and unrestricted access to records. The OIG has the power to subpoena witnesses and administer oaths. Additionally, the OIG is “an appropriate local official” for whistleblower reporting and protection. People may also submit anonymous complaints to the OIG.

County and Municipal Officials and Employees, Contractors, and Others Required Reporting to the OIG

All elected and appointed officials and employees, County and municipal agencies, contractors, their subcontractors and lower tier contractors, and other parties doing business with the County or municipalities and/or receiving County or municipal funds shall fully cooperate with the OIG in the exercise of the OIG’s functions, authority, and powers.

The County administrator and each municipal manager, administrator, or mayor, where the mayor serves as chief executive officer, shall:

- 1) promptly notify the OIG of:
 - a. possible mismanagement of a contract,
 - b. fraud,
 - c. theft,
 - d. bribery, or
 - e. other violation of law which appears to fall within the jurisdiction of the OIG; and,
- 2) coordinate with the OIG to develop reporting procedures for notification to the OIG.



STANDARDS, ACCREDITATION, AND STAFF QUALIFICATIONS

Peer Reviews by the Association of Inspectors General



The Association of Inspectors General (AIG) is a national professional organization comprised of IGs from federal, state, and local government. The AIG *Principles and Standards for Offices of Inspector General* is one of the main standards we use. It provides guidelines for the overall operations of OIGs, as well as, specific standards for investigations, audits, and other IG related activities. OIG audits are performed in accordance with *Generally Accepted Government Auditing Standards* (Yellow Book). In 2015, 2018, and most recently September 2021, the AIG peer reviewed the OIG. **The AIG found our office met all current and relevant standards.**

Commission for Florida Law Enforcement Accreditation

The Commission for Florida Law Enforcement Accreditation (CFA) is the designated accrediting body for law enforcement and OIGs within the State of Florida. Not every State law enforcement agency nor OIG obtains or maintains this high standard of accreditation. The OIG received its initial accreditation from the CFA in 2012, and was re-accredited in 2015 and 2018, and most recently in February 2021. **CFA Assessors noted the OIG was 100% in compliance with standards set by CFA.**



Inspector General Staff Qualifications

To ensure success in accomplishing our mission, the OIG hires highly qualified individuals who not only reflect the diversity of the community, but also have the necessary level of skills, abilities, and experience for their respective positions on the OIG team. Staff members bring an array of experiences from the Federal and State IG Communities; the Federal Bureau of Investigation; not-for-profit community based organizations; federal, state, and local government; public accounting firms; and the construction industry.

Staff members have backgrounds in and/or academic degrees or certifications in:

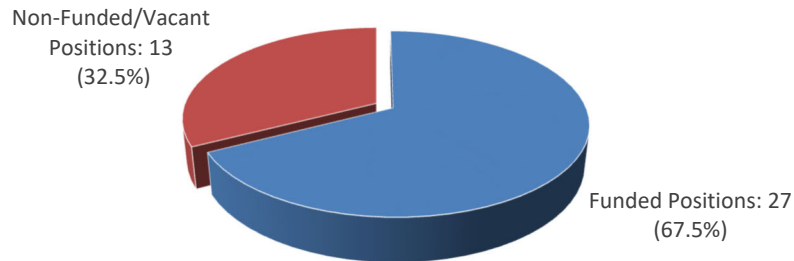
- Accounting
- Auditing
- Forensic Accounting
- Public Administration
- Business Administration
- Financial Analysis
- Grant Administration
- Investigations
- Law
- Law Enforcement
- Strategic Analysis
- Inspections

High performing organizations and success are built upon the foundation of hiring, retaining, and developing a high quality staff. Our high quality staff is represented at all levels.

STRUCTURE AND STAFFING OF THE OFFICE OF INSPECTOR GENERAL

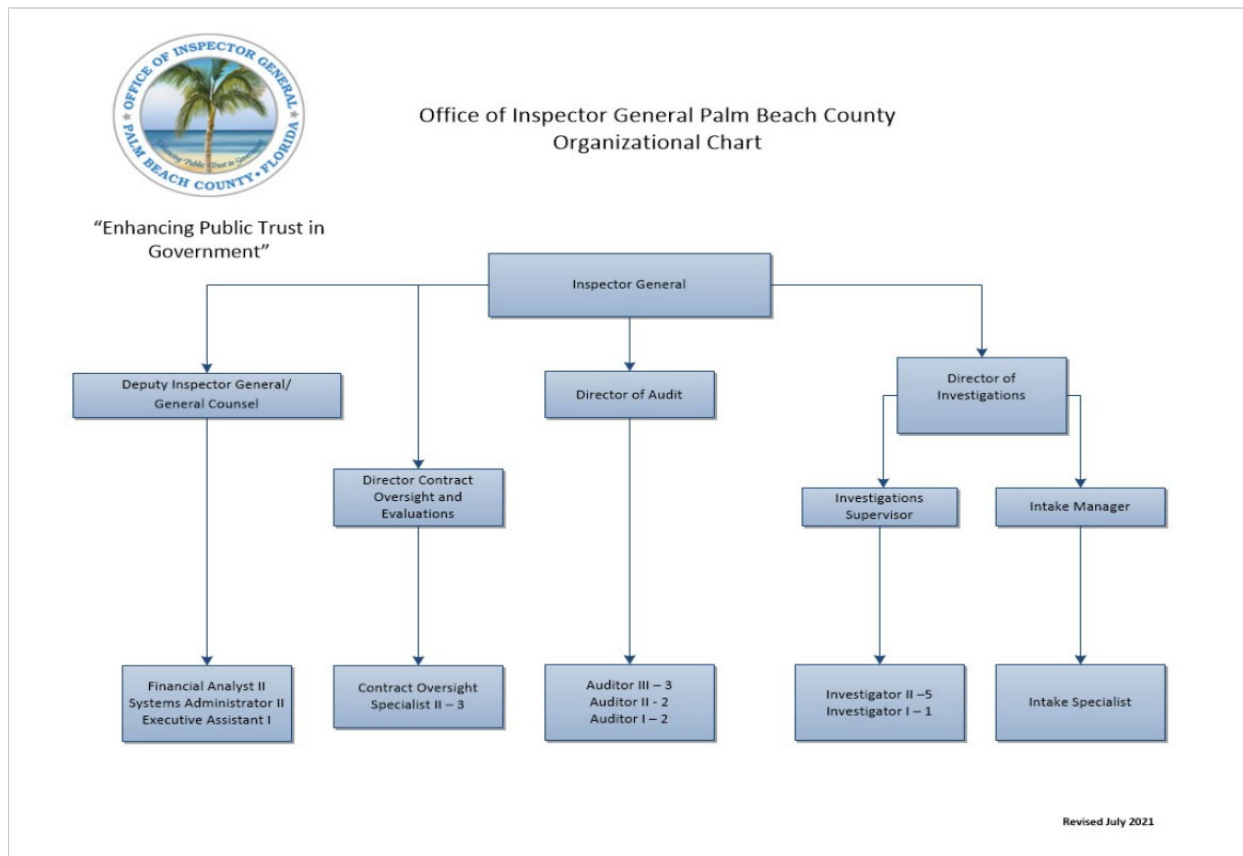
The Inspector General Structure

OIG Personnel Complement 40 Originally Approved Positions



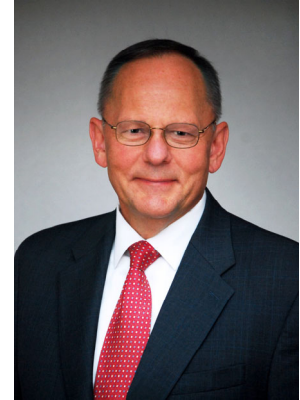
Due to a lawsuit initiated by some of the municipalities within Palm Beach County regarding OIG funding and subsequent BOCC decisions, the OIG has never been fully funded. The OIG is currently funded at 27 (67.5%) of the originally 40 approved positions.

The OIG is comprised of a Mission Support Section and three operating divisions: Investigations, Audits, and Contract Oversight and Evaluations.



YOUR INSPECTOR GENERAL

John Carey became Inspector General on June 23, 2014. He has more than 45 years of government service in the areas of intelligence, operations, law enforcement, and Inspector General oversight. He is a retired Marine colonel. Mr. Carey served as the Director of Intelligence for a Joint Task Force in Operation ENDURING FREEDOM/IRAQI FREEDOM.



For the last 21 years, Mr. Carey has served in the Inspector General field. He was the Deputy IG of the Marine Corps; the Deputy IG for Director of National Intelligence; and finally, the Inspector General for the Defense Intelligence Agency before coming to Palm Beach County. Mr. Carey is on the national Executive Board of the Association of Inspectors General and the Chair of its Professional Certification Board. He is a Certified Inspector General, Certified Inspector General Auditor, and Certified Inspector General Inspector/Evaluator.

Mr. Carey holds a Bachelors of Arts degree (cum laude) from the Grace College, a Masters of Strategic Studies from the U.S. Army War College, and a Masters of Arts in Christian Studies from Palm Beach Atlantic University. He also attended the Federal Bureau of Investigation National Academy, the Federal Executive Institute, and the Kellogg School of Management.

OUR DEPUTY IG AND GENERAL COUNSEL

Kalintia Dillard became our General Counsel in June 2015 and became Deputy Inspector General in July 2017. After graduating from Clemson University (magna cum laude) and the Florida State University College of Law (cum laude), she relocated to Palm Beach County, Florida to clerk at the 4th District Court of Appeal. Thereafter, she practiced civil litigation at private law firms and worked for the School District of Palm Beach County. She is a Certified Inspector General, Certified Inspector General Auditor, and Certified Inspector General Investigator.



Ms. Dillard currently serves on the Executive Committee for the Forum Club of the Palm Beaches. She is the Chair of The Florida Bar's Professional Ethics Committee and Co-Chair of the PBC Bar Association's Professionalism Committee. Ms. Dillard was selected for Leadership Florida Cornerstone 39.

Ms. Dillard is past president of the F. Malcolm Cunningham, Sr. Bar Association; the West Palm Beach (FL) Chapter of The Links, Incorporated; the YWCA of Palm Beach County; and the Virgil Hawkins-Florida Chapter National Bar Association. Additionally, she is a past Chair of The Florida Bar's Law Related Education Committee, Education Law Committee, and Grievance Committee for the 15th Judicial Circuit-Division A.

\$ OFFICE OF INSPECTOR GENERAL FY2021 BUDGET \$

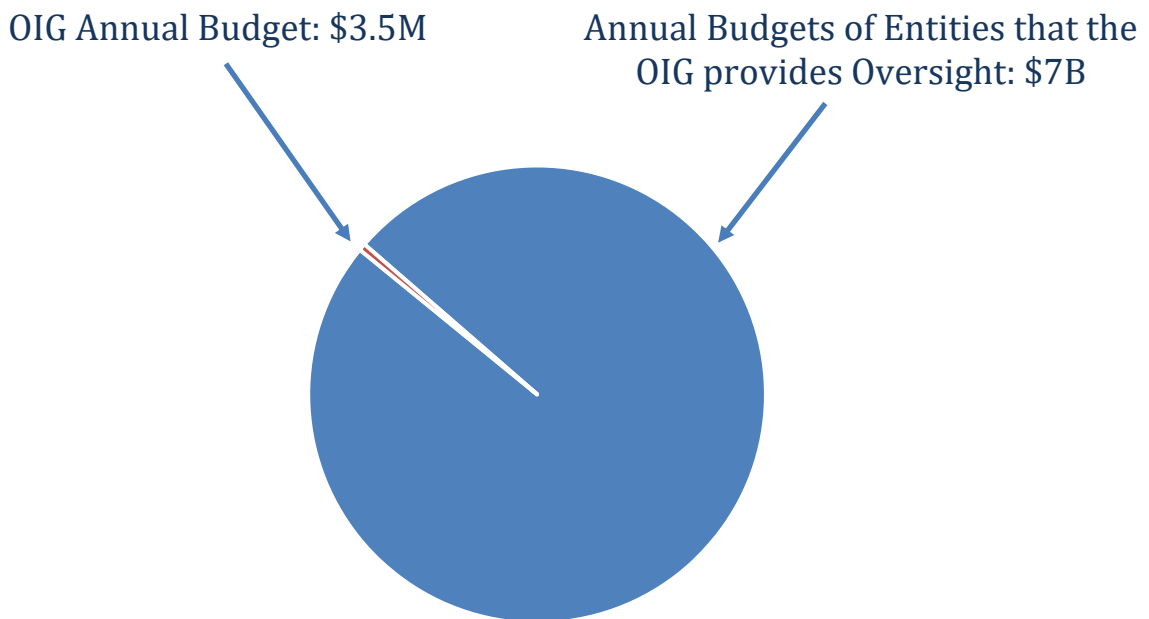
The OIG strives to use taxpayer dollars frugally. In FY2021, the OIG expended \$3.01 million (84%) of its approved \$3.5 million budget. **The financial resources dedicated to the OIG are .04% of the estimated \$7 billion in the annual budgets of the government entities of which the OIG provides independent oversight.**

At a cost of **\$3.01 million** with **27** funded positions, OIG oversight responsibilities include:

- PBC, Municipalities, SWA, and CSC with total annual budgets of approximately **\$7B**
- PBC, Municipalities, SWA, and CSC employees numbering approximately **14,500** people (excluding part-time, seasonal, and contract employees)
- PBC, Municipalities, SWA, and CSC auditable units identified: **1,058**
- Oversight of **billions of dollars** of contracting activities

“The sheer size of government operations that your office oversees and your office’s jurisdiction and responsibility are unparalleled by any other local government inspectors general office.”

2015 Association of Inspectors General Peer Review Report on the PBC OIG

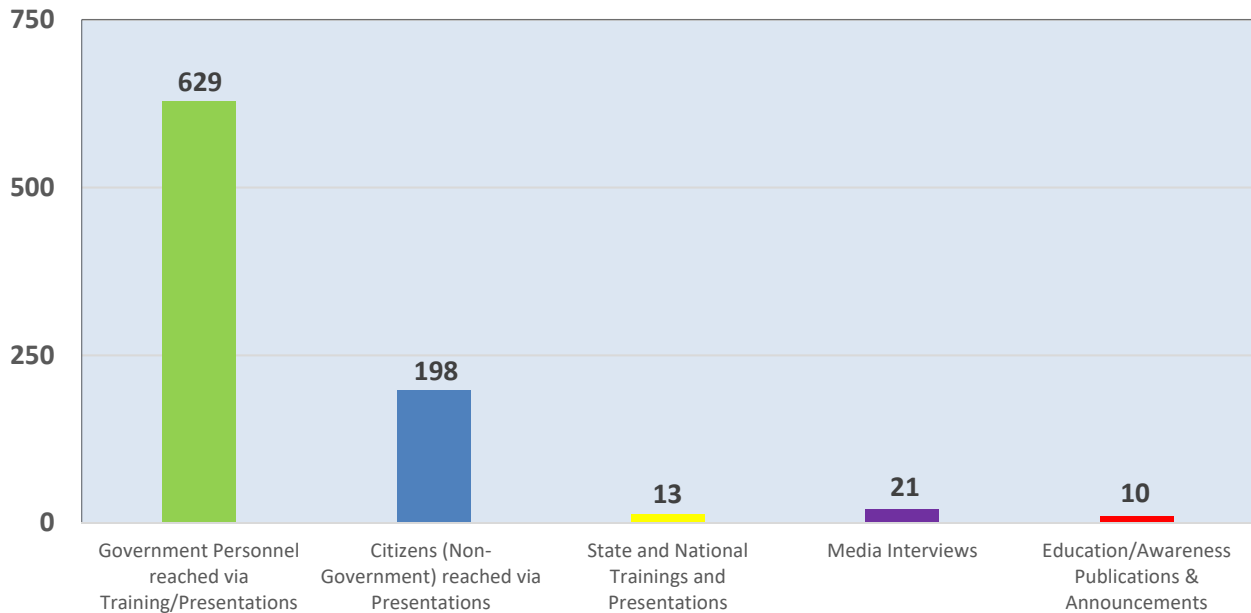


OUTREACH, EDUCATION, AND PREVENTION

Outreach is an important component of OIG operations, and takes place both inside and outside of government. OIG outreach includes education on common trends and best practices; red flags to assist in spotting fraud, waste, and abuse; and ways to contact our office. Our success depends on listening as much as speaking.

TRAINING AND OUTREACH

An ounce of outreach is worth a pound of enforcement.



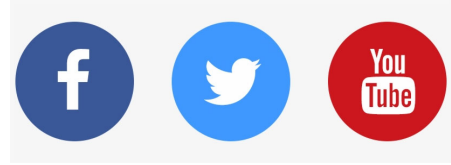
Outreach/Coordination in Palm Beach County

Promoting integrity, accountability, and transparency in government is a “team sport” that goes beyond the bounds of the OIG. Accordingly, the IG attends and participates in several local forums, including the PBC Internal Auditor/Inspector General Forum and the South Florida Inspectors General Council. Other local key partners in promoting integrity in government include the PBC IG Committee, the PBC Commission on Ethics, the PBC Ethics Coalition, and Florida Atlantic University’s LeRoy Collins Public Ethics Academy.

During the year, the IG has provided presentations to community businesses and service organizations, and in academic classes and forums on such topics as ethics in government and the role of inspectors general. Our Director of Audit serves on the Board of Directors as a Vice President for the PBC Chapter of the Institute of Internal Auditors and our Investigations Supervisor is the Vice President for the PBC Chapter of the Association of Certified Fraud Examiners.

Social Media

Citizens can follow us on Facebook, Twitter, YouTube, or through our website, and can subscribe to receive emailed notices of OIG reports and other items of interest.



The OIG posts on Facebook and Twitter on a regular basis to provide regular, up to date OIG Reports, *Tips and Trends*, contact information, Palm Beach County Government and OIG news, statutory citations, and terminology definitions. We are dedicated to maximizing our ability to reach the public with valuable information. Our website is also continuously updated to reflect all recent OIG activity. An important section on the website is labeled “Tips, Trends, and Training.” Here, we post briefings and information updates throughout the year along with other helpful information for the public and government employees.

Click links and check us out!

Follow us on Twitter at: <https://twitter.com/OIGPBC>

Follow us on Facebook at: <https://www.facebook.com/Office-of-Inspector-General-Palm-Beach-County-760833077333644>

Visit our website at: <http://www.pbcgov.com/OIG/>

Outreach/Impact Beyond Palm Beach County



The OIG does not stop at the borders of Palm Beach County in promoting integrity, effectiveness, and efficiency in government. Of particular note, the IG is on the executive board of the national Association of Inspectors General. The Association is a non-profit organization that promotes excellence in the inspector general community by establishing



and encouraging adherence to quality standards, sponsoring professional development, and certifying individuals in IG-specific disciplines.

The IG is the Chair of the Association’s Professional Development Board and is responsible for leading the four professional certification courses at the Association’s Inspector General Institute. The IG, the Deputy IG/General Counsel, and the Director of Contract Oversight and Evaluations instruct at the Institute. Additionally, the IG is on the Association’s Training Committee and Annual Training Conference Committee. Finally, the IG serves on the board of the Florida Chapter of the Association of Inspectors General.

OIG ADDRESSING THE CORONAVIRUS PANDEMIC

With the persistence of the Coronavirus (COVID-19) pandemic, significant efforts went to reviews of County programs dispersing federal Coronavirus aid funding and investigating pandemic-related complaints. The County received \$750 million in federal and state Coronavirus aid and relief funding. It continues to expend these funds in a broad spectrum of relief activities and programs to fill gaps and meet the needs of the community during this emergency. We have continued to work with the County in providing independent oversight and accountability in disbursing these funds.

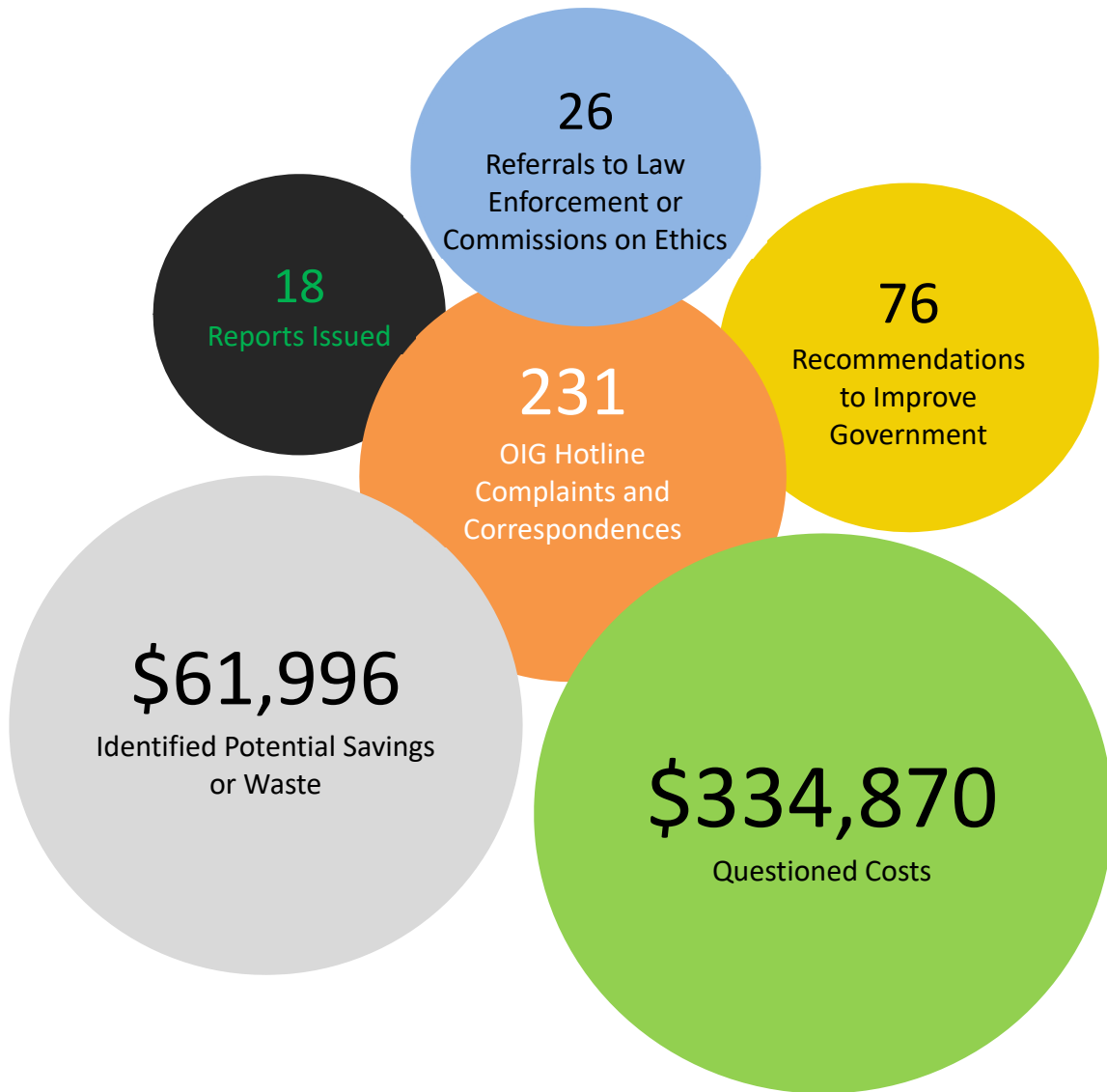
TOTAL COVID-19 RELATED OIG ACTIVITIES (MAR 12, 2020 – SEP 30, 2021)



- **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**



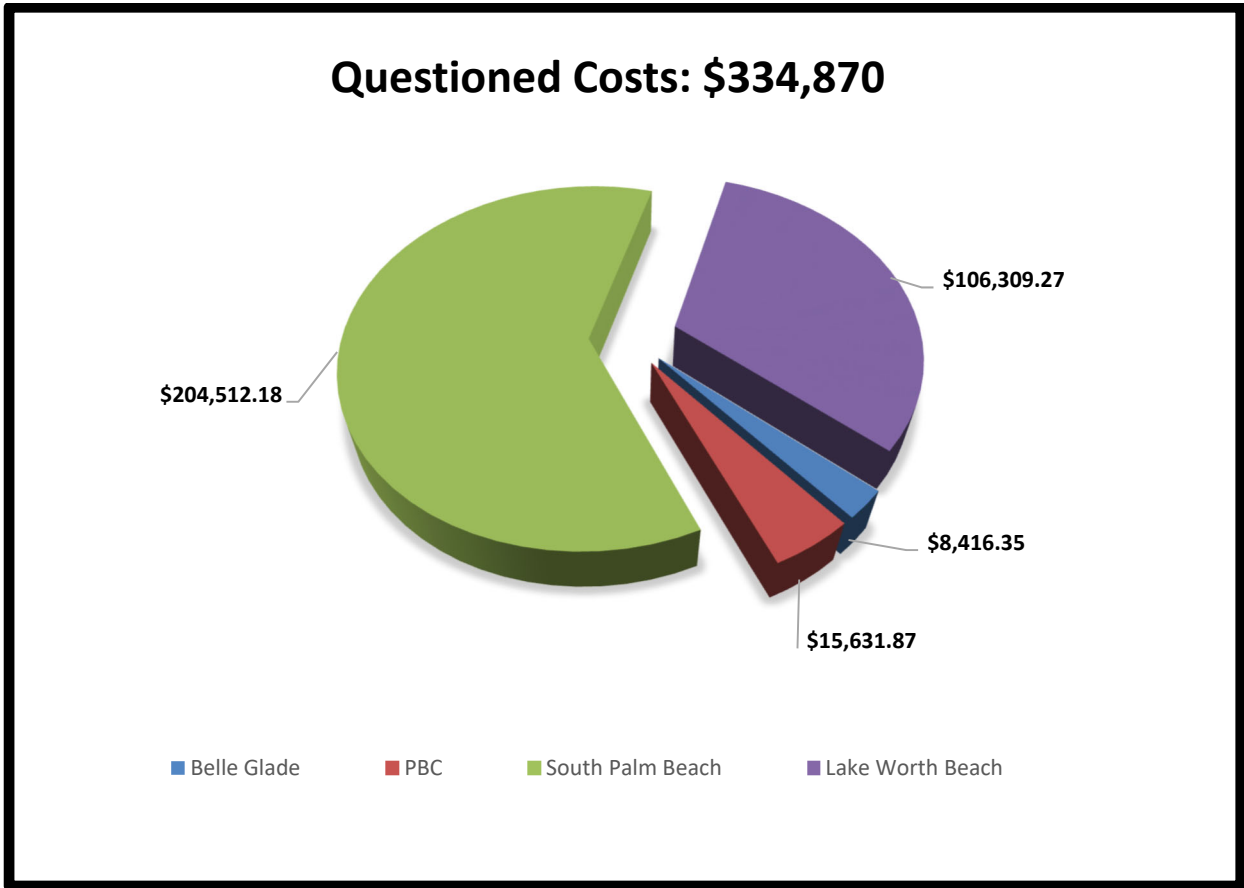
FY2021 ACCOMPLISHMENTS BY THE NUMBERS



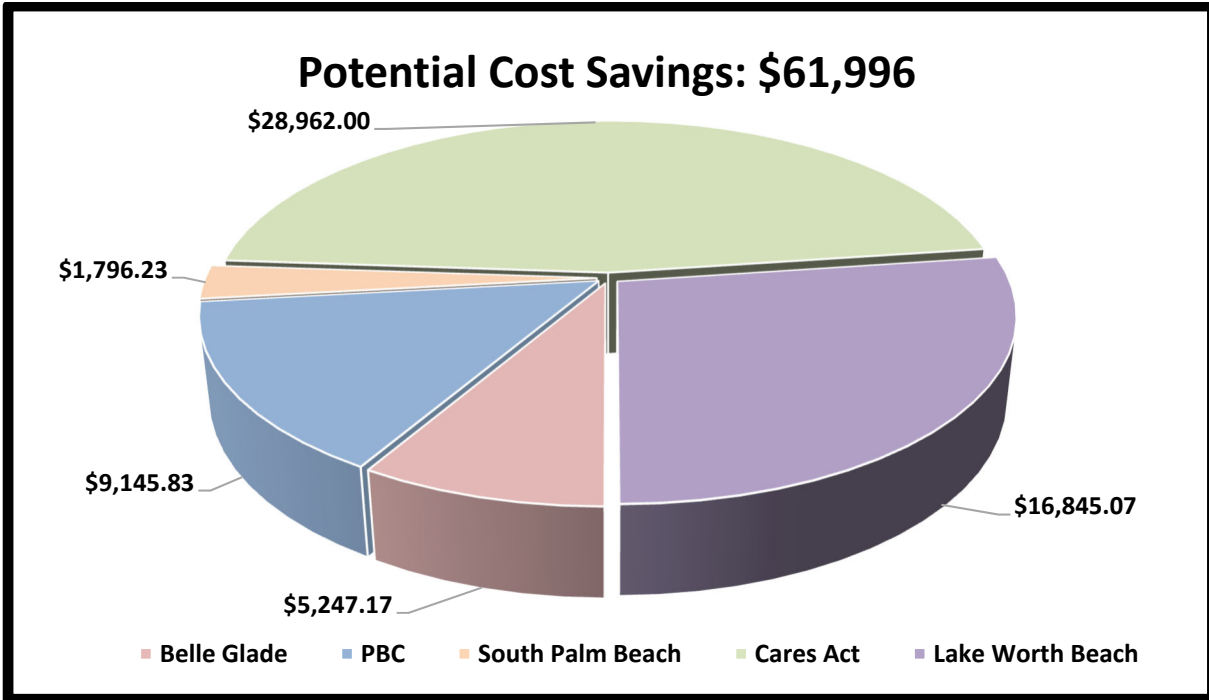
The American Inspector General concept is our contribution to democracy in creating a unique and independent government entity as a check and balance over other government entities.

FY2021 FINANCIAL DISCOVERY BREAKDOWN

Guarding Taxpayers' Dollars



Questioned Costs are costs or financial obligations pursuant to an alleged violation of law, regulation, contract, grant, cooperative agreement, other agreement, policy and procedures, or documents governing the expenditure of funds; costs or financial obligations not supported by adequate documentation; and/or the expenditure of funds where the intended purpose is unnecessary or unreasonable. As such, not all questioned costs are indicative of fraud or waste.



Potential Cost Savings Include:

- **Identified Costs:** Costs that have the potential of being returned to offset the taxpayers’ burden.
- **Avoidable Costs:** The dollar value for costs that will not have to be incurred, lost funds, and/or an anticipated increase in revenue over three years or the contract period (dollars saved) if the OIG’s recommendations are implemented.

Detail of Potential Cost Savings

Entity	Identified Costs	Avoidable Costs	Total
Belle Glade	\$675	\$4,572	\$5,247
PBC	\$9,146		\$9,146
South Palm Beach	\$1,796		\$1,796
Cares Act	\$28,962		\$28,962
Lake Worth Beach	\$3,242	\$13,603	\$16,845
Total	\$43,821	\$18,175	\$61,996

INVESTIGATIONS DIVISION

The Investigations Division investigates allegations of fraud, waste, abuse, mismanagement, and misconduct. It manages the OIG Intake program, including email and telephone complaints, and social media.

The investigative activity conducted by the Division strictly adheres to the *Principles and Standards for Offices of Inspectors General* (Green Book) as developed by the Association of Inspectors General and the Inspector General Accreditation Standards issued by the Commission for Florida Law Enforcement Accreditation, Inc. These important principles ensure the quality of our investigations.



While OIG investigations are administrative in nature, criminal violations are sometimes discovered during the investigative process. When a determination has been made that the subject of an investigation has potentially committed a criminal violation, those findings are discussed with local, state, or federal law enforcement agencies, or are referred directly to the State Attorney's Office or the U.S. Attorney's Office for potential criminal investigation and prosecution.

LEADERSHIP TEAM

Stuart Robinson is the Director of Investigations. He oversees the OIG's Intake and Investigation programs, and is dedicated to producing valuable, accurate, insightful investigative conclusions based on credible allegations. Prior to joining the OIG in October of 2017, Mr. Robinson spent 26 years with the Federal Bureau of Investigation as a Special Agent and Supervisory Special Agent, specializing in public corruption, financial crimes, and civil rights matters, and then was the Supervisor of Investigations for the Broward County Office of the Inspector General. Mr. Robinson has a Bachelor of Science and Juris Doctorate degree from Indiana University and is a Certified Inspector General Investigator.



Section B – Activities



Evangeline Rentz is the Investigation Division's Intake Manager. All Hotline calls, complaints, and correspondences that come into the OIG are reviewed by Ms. Rentz. Her section processes, analyzes, and conducts preliminary inquiries to determine the initial course of OIG action. Ms. Rentz joined the OIG in October 2010 shortly after its establishment and is the longest serving leader in the OIG. Ms. Rentz has over 30 years of public service experience in state and county government. Prior to working at the OIG, she served as the Operations and Management Consultant Manager for the Florida Department of Children and Families OIG. Ms. Rentz earned her Bachelor of Science degree from Florida State University and is a Certified Inspector General Investigator.

Christopher Dyckman is the Investigations Supervisor. He is responsible for supervising OIG Investigators; managing investigations; and ensuring the OIG adheres to established statewide professional standards. Mr. Dyckman joined the OIG in April 2016, and has over 27 years of experience conducting inspections and investigations for federal, state, and local government agencies. Prior to joining the OIG, he spent seven years as a Financial Investigator for the North Carolina Secretary of State, and previously served as a Special Agent with both the U.S. Department of Justice and the U.S. Department of Homeland Security.



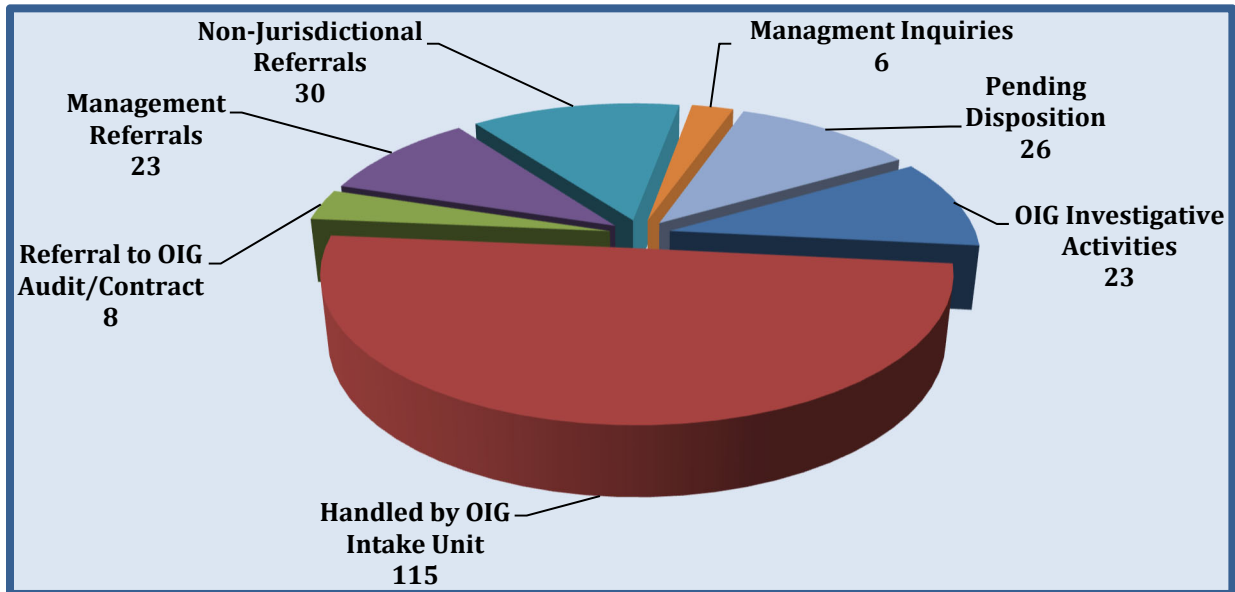
Mr. Dyckman holds a Bachelor's degree in Criminal Justice from the University of Scranton. He is a Certified Fraud Examiner and a Certified Inspector General Investigator. Mr. Dyckman is also a founding member and the current Vice President of the Palm Beach County Chapter of the Association of Certified Fraud Examiners.

INVESTIGATIONS HIGHLIGHTS

During FY2021, the Investigations Division issued **seven** reports, and **two** investigative reviews. Where allegations were substantiated, we referred administrative or disciplinary actions to county, municipal, and/or contracted entities. Additionally, we referred **26** investigative matters to Federal Law Enforcement, the State Attorney's Office, Local Law Enforcement, or the County and State Commissions on Ethics. These reports and management responses can be found at <http://www.pbcgov.com/oig/archreports.htm>. A brief summary of the recommendations is also contained in Section D Appendix 1 of this report.

CORRESPONDENCES (INTAKE ACTIVITIES)

Correspondences to the OIG include letters and emails that cover a wide variety of areas from comments, suggestions, questions, and complaints. The **231** correspondences received during FY2021 were processed as follows:

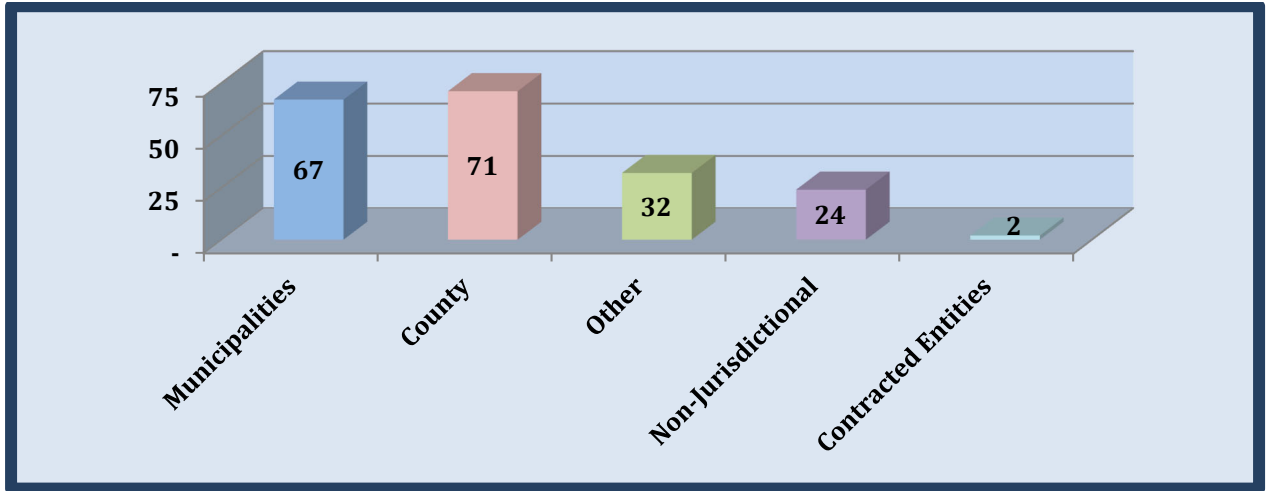


- **Handled (Addressed) by OIG Intake Division (115 or 49%):** Correspondences that are handled by the OIG, Information Only, and/or Closed with No Action.
- **Management Referrals (23 or 10%):** Correspondences forwarded to respective management for handling. No response to the OIG is required.
- **Non-Jurisdictional Referrals (30 or 13%):** Correspondences that do not fall within the jurisdiction of the OIG.²
- **OIG Investigative Activities (23 or 10%):** Correspondences that are assigned to the Investigations Division.
- **Referral to OIG Audit or Contract Oversight (8 or 3%):** Correspondences forwarded to OIG Audit and/or Contract Oversight Divisions for further review.
- **Management Inquiries (6 or 2%):** Correspondences forwarded to respective management for handling. A response to the OIG is required.
- **Pending Disposition (26 or 11%):** Correspondences that have not yet received a disposition.

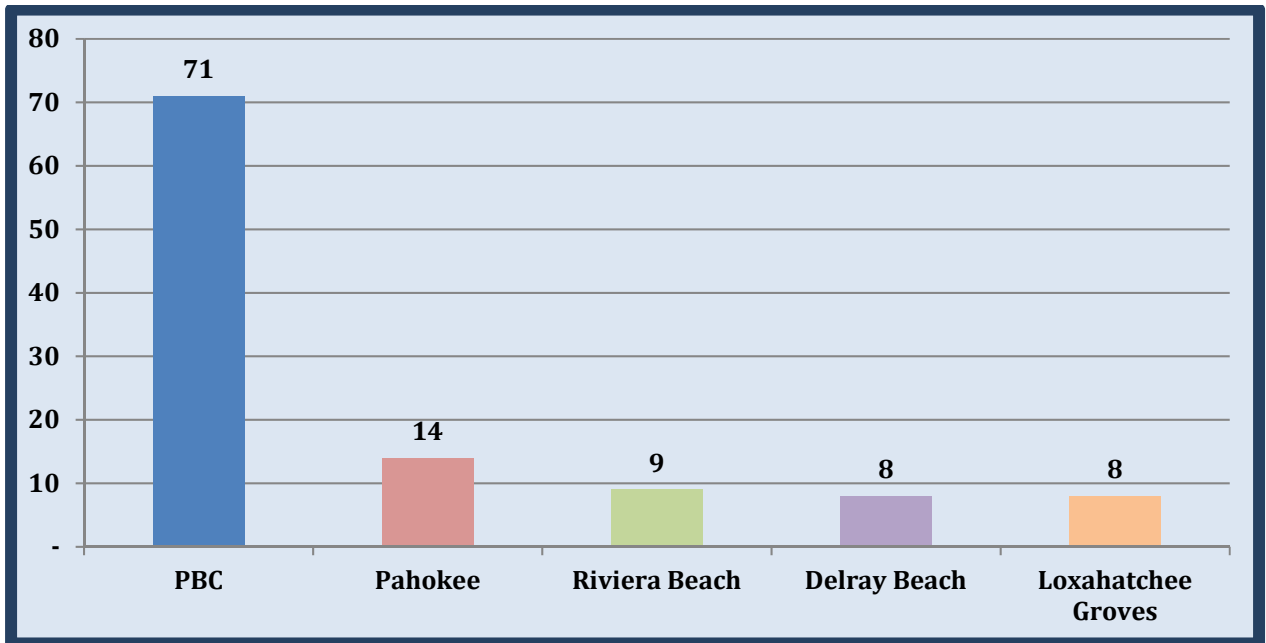
² During FY2021, the OIG received a total of 30 Correspondences related to entities not within the jurisdiction of the OIG. These are forwarded to entities with jurisdiction for addressing the issues.

COMPLAINTS BY ENTITY

Of the **124** telephone calls and **231** correspondences processed in FY2021, we received **196** complaints. These complaints were related to the following entities³:



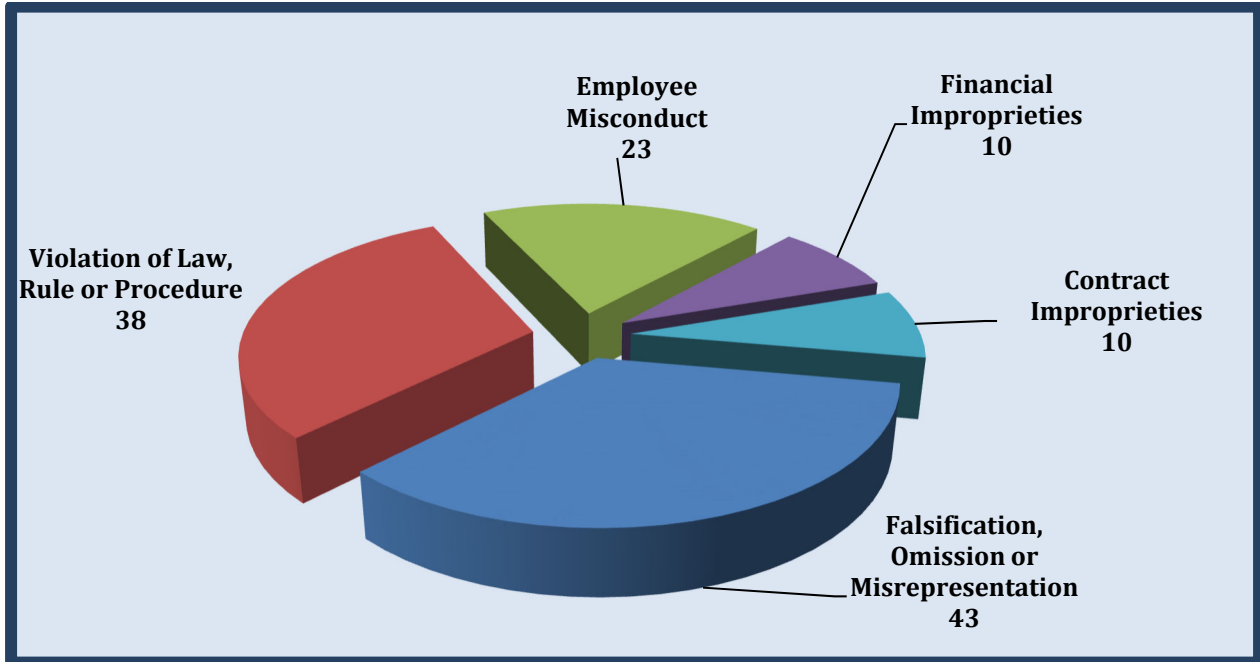
The following is a breakdown of the most complaints lodged against organizations or individuals within organizations (Top 5).



³ “Non-Jurisdictional” refers to correspondences concerning government entities not under the jurisdiction of the OIG. “Other” includes correspondences related to other entities such as private organizations, homeowner’s associations, etc.

ALLEGATION TYPES

Of the **196** complaints, a total of **141** allegations of potential wrongdoing were made. Of those **141** allegations, **124** were identified in the following top five categories:



INVESTIGATIVE ACTIVITIES

The following are highlights from investigative reports issued in FY2021:

Palm Beach County DHES - Limited Scoped Reviews of Businesses that Accepted CARES Act Grants (First Round)



We conducted reviews of ten businesses that accepted CARES Act Grants through the PBC Restart Business Grant program. PBC BOCC initially allocated \$60 million for eligible small businesses within Palm Beach County that met the application requirements.

This limited scope review consisted of a random selection of ten business recipients who applied for the CARES Act Grants between May 22, 2020 and June 12, 2020. The maximum grant award was \$25,000 per business.

The purpose of the first round of reviews was to provide reasonable assurance that CARES Act grant recipients were eligible to receive the grants, and verified that the grant funds were used for the intended purpose. The combined total of grant awards reviewed was \$159,356.

We found the businesses complied with the grant program requirements, and used the funds appropriately.

CARES Restart Business Grant Recipient Lutina’s Pizza

We conducted our investigation after receiving a complaint alleging that the Restart Business/CARES Act Grant application submitted on behalf of Lutina’s Pizza and Subs GBD Corporation did not accurately identify the business owners and their percentage of ownership, in violation of Program requirements.



- We found that the Lutina’s Pizza and Subs GBD Corporation Pizza application inaccurately listed a sole owner of the business.
- We did not find clear evidence of fraud in the \$25,000 grant that Lutina’s received.

We made a recommendation to assist the County improving the application process for Restart Business/CARES Act Grants. The County accepted our recommendation.

City of Delray Beach Grants Program

We conducted our investigation after receiving a complaint from the City of Delray Beach alleging that former City of Delray Beach Neighborhood and Community Services (NCS) Director Michael Coleman and former Assistant NCS Director Jamael Stewart potentially violated City policies and/or applicable laws, rules, and procedures in connection with the disbursement of City grant funds.



We found that Mr. Coleman and Mr. Stewart:

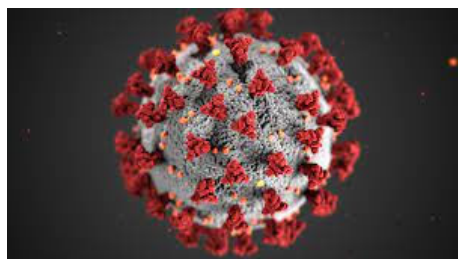
- Caused City grants to be disbursed to organizations that did not submit an application, and/or submitted applications that were not reviewed by a committee designated by the City Manager.
- Failed to avoid conflicts of interest between their personal interests and the City’s interests in dealing with certain organizations seeking grant funds from the City, or leveraged their influence for personal endeavors.

We found that Mr. Coleman used a City purchasing card to buy trophies for Mr. Stewart and Mr. Stewart’s cousin for a \$140.00 non-City purchase that did not serve a public purpose, in violation of City policy.

We did not find sufficient evidence that Mr. Stewart solicited contributions for a nonprofit under false pretenses.

We made three recommendations that can assist the City in strengthening grant application controls.

Limited Review of Custodial Services Provided to Palm Beach County During the COVID-19 Pandemic



We conducted a limited review of custodial services provided to Palm Beach County during the COVID-19 Pandemic for the period June 2020 to December 2020. We assessed the County’s and contractors’ responses to a report that an individual working in a County facility tested positive for COVID-19; the contractors’ compliance with COVID-19 cleaning requirements, the Centers for Disease and Prevention (CDC) COVID-19 guidelines; the County’s training policies and procedures; billing and payments for custodial cleaning services in response to COVID-19 infections; and the use of federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funds to pay for COVID-19 cleaning services.

We determined that:

- Custodial contractors complied with CDC guidelines and generally complied with COVID-19 cleaning requirements and contract terms.
- The County provided sufficient guidance and training to contractors regarding the CDC COVID-19 guidelines and paid contractors in accordance with the contracts for custodial services.

Palm Beach County Fire Rescue Use of Facilities for Profit

We conducted our investigation jointly with PBC Fire Rescue Internal Affairs after receiving a complaint from a Fire Rescue employee. The complaint alleged that PBC Fire Rescue Battalion Chief Brian Mulligan potentially violated Fire Rescue policies and/or applicable laws, rules, and procedures in connection with his for-profit 2019 Fire Rescue captain’s examination training classes held at a Fire Rescue facility.



We found that:

- For a fee payable to Chief Mulligan, he provided training classes for a captain’s promotional exam to Fire Rescue employees at a Fire Rescue facility, in violation of Fire Rescue policy.
- Sufficient information existed to warrant referral of our finding to the State of Florida and PBC Commissions on Ethics to determine whether Chief Mulligan’s solicitation and tutoring of his subordinates for a fee constituted a misuse of his public employment or created an ongoing conflict between his public duties and his private interests in violation of the State of Florida and/or PBC Codes of Ethics.

We made two recommendations that can assist Fire Rescue in avoiding conflicts related to employees’ outside employment.

City of Delray Beach Reclaimed Water Reporting



We conducted our investigation in coordination with the Florida Department of Health (FDOH) after receiving a complaint from a Whistleblower. The complaint alleged that City of Delray Beach staff and/or elected officials, when documenting the City’s adherence to required protocols for the City’s Water Program to the Florida Department of Health, concealed and/or misrepresented their knowledge of issues with the drinking water. The

scope of our investigation did not include an examination of the quality of the water, nor the effects of City water on City residents (FDOH purview).

We found that the City did not report a documented citizen communication of reclaimed water sickness to the FDOH, as required by Florida Statute. This citizen report of sickness from reclaimed drinking water came to the City’s Water and Sewer Manager.

We did **not** find sufficient evidence to support that any senior City staff above the Water and Sewer Manager or elected officials were informed or had knowledge of this report of sickness.

We made three recommendations that can assist the City of Delray Beach in adhering to Water Program reporting requirements and can help the City in effectively informing City staff, elected officials, and residents of potential water quality issues.

Kahna BG 2015, LLC – False Statements on CARES Restart Business Grant Applications

We conducted an Investigation of Kahna BG 2015, LLC, doing business as (d/b/a) Horizon Inn & Suites in Belle Glade, Florida.



We found that:

- On two occasions, Kahna’s President and Owner, Dilip Patel, failed to disclose, as required in Palm Beach County’s Restart Business Grant Program, Payroll Protection Program loans Kahna BG received.
- The false statements by Mr. Patel resulted in Identified Costs of **\$15,212.00**, which Kahna BG reimbursed to the County.
- Sufficient information existed to warrant referring our finding to the State Attorney’s Office and the United States Attorney’s Office, for a determination of whether the facts arise to a criminal act.

We made one recommendation, that the County seek reimbursement of \$15,212 from Kahna BG. Kahna BG paid this amount to the County in June, 2021.

Kahna SB 2015, LLC – False Statements on CARES Restart Business Grant Applications

We conducted an Investigation of Kahna SB 2015, LLC, d/b/a Okeechobee Inn in South Bay, Florida.



We found that:

- Kahna SB’s President and Owner, Dilip Patel, failed to disclose, as required in Palm Beach County’s Restart Business Grant Program, a Payroll Protection Program loan Kahna SB received.
- This lack of disclosure by Mr. Patel resulted in Identified Costs of **\$3,750.00**, which Kahna SB reimbursed to the County.
- Sufficient information existed to warrant referring our finding to the State Attorney’s Office and the United States Attorney’s Office, for a determination of whether the facts arise to a criminal act.

We made one recommendation, that the County seek reimbursement of \$3,750 from Kahna SB. Kahna SB reimbursed this amount to the County in September, 2021.

False Statements on CARES Act Rental Assistance Applications

We conducted an Investigation of False Representations on CARES Act Rental Assistance Applications.



We found that:

- An applicant submitted falsified documents to the County in support of her rental assistance applications.
- On the date of her first rental assistance application, the applicant’s bank accounts had a total balance which exceeded the \$5,000.00 maximum threshold for program eligibility.

The rental assistance payments to the applicant resulted in costs of **\$10,000.00** identified as having the potential of being returned to offset the taxpayers’ burden, which the applicant should reimburse to the County.

IG HOTLINE
1-877-283-7068

AUDIT DIVISION

The Audit Division conducts audits intended to add value by helping management strengthen internal controls; prevent fraud, waste, and abuse; and identify opportunities to operate more efficiently and effectively.

All audits are performed in accordance with *Government Auditing Standards (Yellow Book)*.

LEADERSHIP



Hillary Bojan joined the OIG in September 2017 as an Auditor III. In June 2019, she became our Acting Audit Manager and in 2020 was promoted to Director of Audit. She has more than 14 years of local government service in accounting and auditing. Before coming to the OIG, Ms. Bojan served as the Senior Internal Auditor for the Health Care District of Palm Beach County.

Ms. Bojan holds a Bachelor of Science in Accounting (summa cum laude) and a Master of Science in Accounting from the University of Central Florida. Ms. Bojan has obtained the following professional designations: Certified Public Accountant, Certified Internal Auditor, Certified Fraud Examiner, and Certified Inspector General Auditor. Ms. Bojan serves on the Board of Directors as a Vice President for the Palm Beach County Chapter of the Institute of Internal Auditors.

AUDIT HIGHLIGHTS

During FY2021, we issued **seven** reports with total Questioned Costs of **\$334,870** and **\$26,898** in Potential Cost Savings. Collectively, these seven reports contain **63** recommendations to strengthen internal controls and improve the efficiency and effectiveness of operations. Management has implemented or is in the process of implementing the majority of our recommendations. The reports and management responses can be found at <http://www.pbcgov.com/oig/archreports.htm>. A brief summary of the recommendations is also contained in Section D Appendix 2 of this report.

Audit of City of Belle Glade – Travel



We conducted an audit of the City of Belle Glade travel process as a result of an anonymous complaint. This audit focused on addressing the complainant's allegations and determining whether internal controls were adequate and travel expenditures were properly documented, approved, and paid in accordance with applicable laws, policies, and procedures.

We found the complainant's allegations were supported. The City of Belle Glade's travel process lacked adequate controls, review, and oversight activities that may have led to the instances of non-compliance with written guidance, unnecessary travel costs, and a lack of supporting documentation noted in the audit.

We found that the City of Belle Glade:

- Paid for meal expenses of unauthorized travelers.
- Commissioners' travel expenses were not always supported by a receipt.
- Commissioners did not always reimburse or reimbursed the City with delay for unauthorized travelers' meal expense.
- Paid for travel expenses that did not always comply with written guidance, were unnecessary, or lacked proper documentation.
- Lacked adequate written guidance for the computer system user access termination.

As a result of our audit, we identified **\$8,416.35** in Questioned costs and **\$5,247.17** in Potential Costs Savings.

Our report contained recommendations to assist the City of Belle Glade in strengthening internal controls and enhancing compliance with requirements. The City is implementing all of the recommendations.

Audit of Interlocal Agreement for Law Enforcement Services between Palm Beach County and the City of Boynton Beach



We conducted an audit of the Interlocal Agreement for Law Enforcement Services between PBC and the City of Boynton Beach. The Interlocal Agreement provided for increased law enforcement presence in the County's waterways, as one means to provide greater manatee protection. Our audit focused on review of the Agreement reimbursement requests that occurred from November 1, 2013 through March 31, 2019.

We found that the City of Boynton Beach and PBC have generally adequate controls over the Agreement reimbursement requests. However, we found the City and the PBC lacked adequate review and oversight to detect when required supporting documentation was missing from the reimbursement requests.

Section B – Activities

Our report contained one recommendation to assist the City of Boynton Beach ensure compliance with the Agreement requirements. The City concurred and accepted our recommendation.

Audit of Town of South Palm Beach – Revenue

We conducted a revenue audit of the Town of South Palm Beach. This audit focused on the revenue process and related cash receipt activities.

We found control weaknesses for the Town of South Palm Beach’s revenue and financial operations processes. In most instances, the Town’s employees carried out their work using established processes; however, some activities were not sufficiently documented or lacked sufficient written guidance to ensure consistency in performance, standards, and expectations.



We found that the Town of South Palm Beach:

- Did not notify customers of the annual sewer rate increase, as required by Florida Statutes.
- Over-billed customers for FY2017 and FY2018 sewer fees.
- Lacked sufficient controls, review, and documentation for revenue, cash receipt, and financial reporting activities.
- Lacked adequate written policies and procedures for information technology processes.

As a result, our audit identified **\$204,512.18** in Questioned Costs and **\$1,796.23** in Potential Cost Savings.

Our report contained recommendations to assist the Town of South Palm Beach in strengthening internal controls and enhancing compliance with the Town’s written guidance and regulatory requirements. The Town is implementing all of the recommendations. Additionally, subsequent to our findings, the Town reviewed sewer billing from FY2019 and FY2020 and determined that residents were over charged \$285,430.20 due to failure to properly notice residents of an increase in sewer bills. The Town Council authorized the rebate to customers of sewer overcharges incurred in FY 2016 through FY 2020.

Audit of Interlocal Agreement for Law Enforcement Services between Palm Beach County and the Town of Jupiter



We conducted an audit of the Interlocal Agreement for Law Enforcement Services between PBC and the Town of Jupiter. The Interlocal Agreement provided for increased law enforcement presence in the County’s waterways, as one means to provide greater manatee protection. Our audit focused on review of the Agreement reimbursement requests that occurred from November 1, 2013 through March 31, 2019.

Section B – Activities

We found that the Town of Jupiter and PBC have generally adequate controls over the Agreement reimbursement requests. However, we found the Town and PBC lacked adequate review and oversight to detect when required supporting documentation was missing from the reimbursement requests.

Our report contained one recommendation to assist the Town of Jupiter ensure compliance with the Agreement requirements. The Town concurred and accepted our recommendation.

Audit of the Town of Palm Beach Internal Control and Data Security



We conducted an internal control and data security audit of the Town of Palm Beach. Our audit focused on review of internal controls and data security activities for motor vehicle information obtained through the Town's Memorandum of Understanding (MOU) HSMV-0216-20 with the Florida Department of Highway Safety and Motor Vehicles.

We found that the Town of Palm Beach:

- Had 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.
- Had control weaknesses for data security related to the motor vehicle information.

Our report contained recommendations to assist the Town of Palm Beach in strengthening internal controls and data security, and to help the Town ensure compliance with the MOU and related requirements. The Town concurred and is implementing all of our recommendations.

Audit of Interlocal Agreement for Law Enforcement Services between Palm Beach County and the Village of North Palm Beach

We conducted an audit of the Interlocal Agreement for Law Enforcement Services between PBC and the Village of North Palm Beach. The Interlocal Agreement provided for increased law enforcement presence in the County's waterways, as one means to provide greater manatee protection. Our audit focused on review of the Agreement reimbursement requests that occurred from November 1, 2017 through March 31, 2020.



We found control weaknesses for the Village of North Palm Beach's review and oversight relating to the reimbursement requests that it presented to PBC for hours worked. We found control weaknesses related to:

- Lack of adequate review and documentation for reimbursement requests.
- Lack of compliance with the Agreement and the Village of North Palm Beach's Payroll and Personnel Administration Policy.

Section B – Activities

- Village of North Palm Beach Police officers did not comply with the Village's Communication's Procedures for checking in and out when working the Manatee detail.

Our report contained recommendations to assist the Village of North Palm Beach in strengthening internal controls to ensure compliance with the Village policies and procedures and Agreement requirements. The Village concurred and accepted our recommendations.

Audit of the City of Lake Worth Beach – Travel



We conducted an audit of the City of Lake Worth Beach's travel process as a result of an anonymous complaint. The complainant alleged City Commissioners and the City Manager had taken personal trips paid with City funds. Based on the complainant's allegation, we initiated a limited scope audit of overnight travel activities and discretionary spending for the City Commissioners, Mayor and Manager.

We found that:

- The allegation was not supported.
- While travel expenditures lacked adequate documentation, lacked proper approvals, and were non-compliant with policy, procedure, ordinance and resolution requirements, there was sufficient documentation to support a business purpose for the travel.
- City Manager Promotional Activities Account purchasing card purchases lacked review and oversight.
- The City lacked adequate written guidance for the computer system processes.
- The City did not maintain complete and consistent record keeping for travel activities.

Our audit identified **\$106,309.27** in Questioned Costs and **\$16,845.07** in Potential Cost Savings.

Our report contained recommendations to assist the City of Lake Worth Beach in strengthening internal controls and enhancing compliance with requirements. The City concurred and accepted our recommendations.

AUDIT FOLLOW-UP

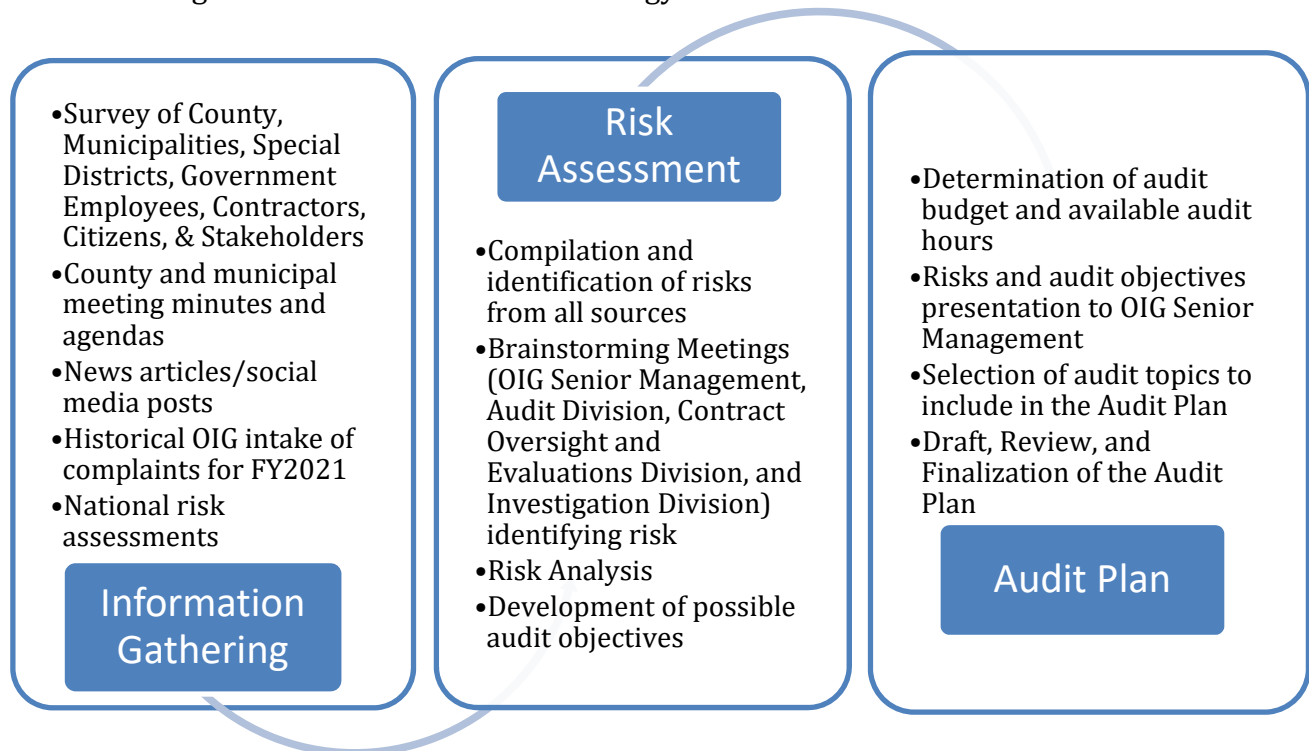
During the year, we continued to perform semi-annual follow-up on the status of pending audit recommendations. Our follow-up process has helped ensure timely corrective action on our recommendations. Since the inception of the OIG, of the 857 audit recommendations made, 837 (98%) have been implemented or are pending implementation.



AUDIT RISK ASSESSMENT AND ANNUAL AUDIT PLAN

Our “audit universe” is comprised of the County, 39 municipalities, and contracted special districts. Our goal is to make the most effective use of our resources focusing on areas of high risk for fraud, waste, and abuse, as well as, areas where costs can be reduced or revenue increased. To this end, we conducted a comprehensive risk assessment.

The risk assessment process was conducted using a combination of several methods of research and information gathering in order to create an overview of the risks for entities within the OIG’s jurisdiction. Additional risks were included drawing upon the professional expertise and experience of the OIG staff. Risks were assessed based on their global area of significance and impact. Our FY2022 Annual Audit Plan (Section D of Appendix 4) was created using this risk assessment methodology.



CONTRACT OVERSIGHT AND EVALUATIONS DIVISION

The Contract Oversight and Evaluations Division reviews procurement and contracting activities and conducts evaluations and reviews of operations to promote competition, transparency, accountability, integrity, and efficiency.

The Contract Oversight and Evaluations Division (COED) reviews procurements conducted by municipalities, the County, and contracted special districts. This includes, on a selected basis, following a solicitation from when it is issued until it is awarded; reviewing the implementation of the contract before the services are completed; and completing a contract administration review after the close-out of a contract.

Additionally, the COED conducts evaluations, reviews, or inspections on a wide variety of operational issues and processes for the entities under the jurisdiction of the OIG.

All work is completed in accordance with the *Principles and Standards for Offices of Inspectors General* (Green Book), as developed by the AIG.

LEADERSHIP



Tony Montero became the Director of Contract Oversight & Evaluations in February 2021. He started his career with the OIG in February 2017 as a Contract Oversight Specialist. Mr. Montero has 34 years of public service experience in federal and state governments, higher education, and private business. He served in the US Air Force as a contracting officer for Tactical Air Command, and was deployed to Saudi Arabia during the Gulf War.

Upon his return, Mr. Montero transferred to the Defense Logistics Agency administering aerospace contracts at a Defense Plant Representative Office. After his military service, he was an independent consultant to Navy and Army contractors before accepting a purchasing position with Florida Atlantic University. Mr. Montero was soon promoted to the Assistant Director of Purchasing, overseeing \$100 million in contracts and purchases annually.

Mr. Montero has extensive prior training and experience in procurement, contract management, and leadership. He has several awards in contracting dating back to his

military career as a U.S. Air Force officer. Mr. Montero is a US Air Force Academy graduate, a decorated Gulf War veteran, has a Masters of Engineering Administration from George Washington University, and is a Certified IG Inspector/Evaluator.

CONTRACT OVERSIGHT AND EVALUATIONS HIGHLIGHTS

During FY2021, the COED issued **two** formal reports. We updated our previously issued One-Penny Sales Surtax report. Additionally, we conducted an inspection of a construction project, which did not entail a formal report. We issued **one** recommendation for improvement, which has been accepted by management. The reports and management responses can be found at <http://www.pbcgov.com/oig/archreports.htm>. A brief summary of our recommendation is also contained in Section D Appendix 2 of this report.

Palm Beach County Department of Housing and Economic Sustainability Restart Business Grant Program Applications Review



We conducted a review of the Restart Business Grant Program application process administered by the PBC Department of Housing and Economic Sustainability (DHES). The Board of County Commissioners allocated \$60 million of the \$261 million the County received from the federal Coronavirus Aid, Relief and Economic Security (CARES) Act for emergency grant funds to aid small businesses within PBC who were negatively impacted by the Coronavirus global pandemic.

The purpose and intent of the review was to determine if DHES administered the application process in accordance with PBC Policy and Procedure Manual PPM HES-O-098, Restart Business Grant Program.

We found three businesses were overpaid based on arithmetic errors in the funding calculations. DHES implemented additional oversight in the application review process to prevent further inaccurate awards.

The overpayments represent **\$6,135.83** in identified costs. We recommended DHES consider recouping the overpayments.

Palm Beach County DHES - Limited Scoped Reviews of Businesses that Accepted CARES Act Grants (Second Round)

We conducted limited scoped reviews of businesses that accepted CARES Act Grants through the PBC Restart Business Grant program. The Board of County Commissioners allocated \$60 million for eligible small businesses within PBC that met the application requirements.

Section B – Activities

This limited scope review consisted of a random selection of 32 businesses recipients who applied for the CARES Act Grants between May 22, 2020 and June 12, 2020. The maximum grant award was \$25,000 per business.

The purpose of the review was to provide reasonable assurance that CARES Act grant recipients were eligible to receive the grants, properly disclosed other COVID-19 relief funds, and verified that the grant funds were used for the intended purpose. The combined total of grant awards reviewed was \$586,732.



We found that 27 businesses were eligible to receive the grants, complied with the grant program requirements, and used the funds appropriately. We further determined that five businesses, with grants totaling \$80,332.50, required further review and were referred to the Investigations Division.

OIG Insights Update: One-Penny Sales Surtax Annual Update – 2020

We published a guide providing updated information on the One-Penny Sales Surtax program from the County and Municipalities detailing:

- \$499M in Surtax revenue received between 1/1/2017-9/30/2020
- \$220.1M in Surtax funds expended between 1/1/2017-9/30/2020
- \$161.6M in Surtax budgets for FY2021

Overall, 44.1% of the surtax revenue received by the County and Municipalities was expended from FY2017 – FY2020. This represents a potential direct economic impact of \$220.1M to south Florida.

We also informed the citizenry on what the OIG is specifically doing to guard taxpayer surtax dollars by continuing our vigilance in monitoring County and Municipal infrastructure project bids, contract awards, and expenditures for compliance with applicable ordinances, laws and regulations, including the surtax ordinance. In FY2020, the Contract Oversight and Evaluations Division monitored 49 contract activities involving surtax funds. We continue to monitor contract performance on surtax funded projects, observe Surtax Citizen Oversight Committee meetings, review annual oversight reports, track monthly surtax revenue distributions from the State, and report the results of our contract oversight activities to the public.

The OIG suggested to all County and Municipalities to monitor surtax projects and expenditures to ensure that:

- The Surtax Citizen Oversight Committee has been established prior to the expenditure of any surtax funds in accordance with PBC Ordinance 2016-032, and the Interlocal Agreement (R2016-0588);

Section B – Activities

- The Surtax Citizen Oversight Committee reviews the expenditure of surtax proceeds to verify that funds were used for infrastructure projects in accordance with Section §212.055 (2)(d), Florida Statutes, Palm Beach County Ordinance 2016-032, and the Interlocal Agreement (R2016-0588);
- The Surtax Citizen Oversight Committee provides an annual report to the governing board of the entity that created it in accordance with Palm Beach County Ordinance 2016-032 and the Interlocal Agreement (R2016-0588); and
- Governmental entities maintain transparency on the One-Penny Sales Surtax by publicly publishing, posting, or conducting community outreach events on surtax program initiatives and project status.

Village of Wellington - Inspection of Skate Park Construction Project

The Village of Wellington approved \$150,000 of surtax funds to demolish and construct a new skate park. Our Office conducted an inspection of the construction project to determine if the construction of the new Skate Park was completed by the Contractor in accordance with contract, purchase order, and local, state and federal requirements.

The IG Evaluator conducted three onsite inspections: prior to demolition of the existing skate ramps, during installation of the new equipment, and final completion of the skate park.



Based on the review of the project documentation and final invoicing, the skate park was constructed in accordance with the agreement.

OTHER CONTRACT OVERSIGHT AND EVALUATIONS ACTIVITIES & OUTREACH

Procurement personnel working for the entities within OIG jurisdiction have articulated that OIG presence helps to ensure the integrity of the selection process and assists them in facilitating more efficient and equitable selections. During FY2021, we proactively observed **38** procurement/contracting related activities. These activities included selection committee meetings, contract review committee meetings, pre-construction meetings, construction site visits, and meetings with municipal officials.

The specific type and number of meetings attended is as follows:

• County Selection Committees	2
• County Contract Review Committees	9
• Other County Meetings	10
• Municipal Selection Committees	5
• Other Municipal Meetings	11
• Other Covered Entities – Selection Committees	1
TOTAL	38

Section B – Activities

In terms of outreach completed by COED staff during the above-referenced meetings, the number of people in attendance is as follows:

• County Selection Committees	27
• County Contract Review Committees	75
• Other County Meetings	119
• Municipal Selection Committees	40
• Other Municipal Meetings	118
• Other Covered Entities – Selection Committees	8
TOTAL	387

In the course of these meetings, COED staff provides guidance to County and municipal staff to enhance efficiencies. This guidance has resulted in policy and procedure changes by the County and municipalities on how to score and rate proposals, refinement of determinations of responsiveness reviews, and development of evaluation criteria.

COED staff identifies issues with either a solicitation document or selection process and advises County or municipal staff of the error so corrections can be quickly made during the solicitation process. Some examples of corrections include identifying errors or omissions in solicitation documents before the solicitation ends so that the entity can issue an amendment with corrections prior to the solicitation closing date; a scoring sheet not being signed by the selection committee member; miscalculation of selection committee scores; or engaging in activities that do not comply with statutory requirements.

The COED serves as a resource for sharing information between the municipalities. The COED has shared information, as well as provided references to resource materials provided by organizations such as the National Institute for Public Procurement (NIGP).

ADDITIONAL AREAS WHERE CONTRACT OVERSIGHT AND EVALUATIONS ACTIVITIES ADD VALUE



The COED engages in an array of oversight activities that promote an open and competitive business environment and enhances public confidence that contracts are being awarded equitably and economically. The following highlights the division's positive impact and other proactive/preventative guidance to the County and the municipalities in the following areas:

Cooperative Contracts – We provided assistance to a municipality's counsel regarding cooperative contracting, also known as "piggybacking" contracts written by another public entity. We directed them to the OIG website for our training presentation on piggybacking contracts. We also discussed the competitive solicitation process, fair competitive solicitation evaluations, contracts, and the importance of the size and scope of the requirement being similar to the contract requirements.

A Councilmember and a staff member from a second municipality also inquired about cooperative contracting. They were under the misperception that entities were prohibited from piggybacking construction contracts. We explained how piggyback decisions contain numerous variables.

Finally, a private business contacted us about our piggyback contracting presentation posted on the OIG website. We discussed cooperative contracting principles, methods of execution, and agreement pitfalls.

Scope of Work – We assisted two municipalities by providing information on scope of work changes. The first municipality was trying to determine if a change order was within the project’s scope, based on the size and scope of work. The municipality wrote a determination about the circumstances for the change order. We assisted the municipality providing general guidance on change order scope and the typical items of concern to present to legal counsel to file an opinion in the records.

The second municipality asked if additional, but related work could be added to an existing contract or needed to be separately bid. The situation involved a series of multi-year contracts that were publicly bid with most only having one bidder. We assisted the municipality providing general guidance.

Public Meetings – A municipality inquired if a proposal presentation was considered a public meeting. The municipality requires public presentations, and vendors were hesitant to attend because this could reveal sales ideas, trade secrets, or allow the next presenter a competitive advantage by targeting specific issues raised during the previous presentations.

We referred the municipality to Section 286.0113, Florida Statutes, which contains general exemptions from public meetings, that includes presentations at which vendor negotiations, discussions, or committee questions were being asked. We recommended they consult their legal counsel for guidance. We also recommended *OIG Tips & Trends #2018-0002, Recording Meetings within the Procurement Process*, which discusses the requirement to record all exempt meetings.

Small and Minority Business Programs – A municipality inquired about OIG reference materials or white papers on small and minority business programs. We suggested that they check with the NIGP document library and best practices links. We also emailed them information on the County’s Equal Business Opportunity Ordinance, and identified other local public entities and municipalities in PBC that recently bid to hire small and minority business program consultants, or established programs of their own.

Invitation to Negotiation (ITN) – A municipality requested information on a type of bid solicitation called an ITN. We sent the staff reference material from the NIGP document library on the ITN process.

Negotiations and Public Meetings – A municipality was entering into contract negotiations for award of a bid and inquired about public exempt meetings. We were able to direct them to *OIG Tips and Trends #2018-0002, Recording Meetings within the Procurement Process*.

Real Property – An official from a municipality contacted the OIG about the policies and procedures for analyzing unsolicited proposals for property development projects. We discussed the various methods of property management used by other public entities in the County.

Contract Oversight and Evaluations



OUTLOOK AND THE WAY AHEAD

Our OIG Strategic Plan looking out to 2022 sets out the following goals:

- Promote integrity, accountability, and transparency in government while improving the efficiency and effectiveness of operations.
- Promote sound government procurement practices.
- Expand and improve communications and engagement between the OIG, government officials and employees, and the public.
- Achieve organizational excellence in carrying out the mission of the OIG.



Our vision is 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**.

In FY2022 we will:

- Continue to center audit and contract oversight and evaluations activities on risk/opportunity assessment models to ensure we are focusing on the major risks.
- Prioritize the investigations that maximize our resources and our ability to expose waste, fraud, and mismanagement.
- Continue our outreach and training programs on proactively sharing lessons learned, best practices, activities to avoid, and red flags that may indicate fraud, waste, or mismanagement with those to whom we provide our OIG services.
- Focus efforts on providing independent oversight of PBC One-Penny Sales Surtax expenditures and use of pandemic-related funds.



Section D – Appendices

Appendix 1 – FY2021 Tips and Trends

As part of our prevention and education focus, the OIG periodically issues *Tips and Trends*. These brief reports provide lessons learned from OIG projects, research, or new regulatory guidance designed to assist entities in operating in a more compliant, efficient, or effective manner.

OIG Tips and Trends #2021-0001 – E-Verify – January 2021

This *Tips and Trends* informed local and County government entities that contractors and subcontractors who enter into a contract with a government entity, must register with and use E-Verify in accordance with section 448.095, F.S. Contractors and subcontractors can register with E-Verify online and public employers can confirm contractor registrations via the E-Verify website. We suggested reviewing your contracting procedures with your legal staff to ensure you are up to date with all E-Verify requirements.

OIG Tips and Trends #2021-0002 – Use of Drones – August 2021

We issued this *Tips and Trends* to inform local and County government entities on the rules before purchasing and employing drones. We suggested reviewing all drone policies and procedures for compliance with §934.5, Florida Statutes.

OIG Tips and Trends #2021-0003 – Local Preference Construction – September 2021

The “Local Preferences Prohibited in Solicitations for State-Funded Construction Services & Public Work Projects”. This *Tips and Trends* informed local and County government entities of changes in the Florida Statutes that prohibit certain actions in solicitations for construction services and public works projects that are funded with state-appropriated funds. We recommended that local government entities consult with their legal counsel and compare the changes to sections 255.0991. and 255.0992, F.S., with current construction and public works procurement procedures, and make changes as needed.

*The value of our Tips and Trends -
An ounce of prevention is worth a pound of cure.*

Appendix 2 – FY2021 Recommendations

**INVESTIGATIVE REPORTS COMPLETED
(October 1, 2020 – September 30, 2021)**

12/2/2020
Report Number
2020-0004

CARES Act Grant Recipient Lutina’s Pizza

Recommendation:

DHES consider the addition of a written declaration under penalty of perjury and handwritten, or time-stamped digital signature by and owner of the business applying for a Restart Business Grant, and requiring the disclosure of, and handwritten or digital signature by preparers who assist with applications.

Implemented

2/16/2021
Report Number
2020-0004

City of Delray Beach Grants Program

Recommendations:

1. Prior to disbursing grant funds to an organization, we recommend that the City amend Exhibits A and B of Policy GA-23 to require organizations requesting charitable and benevolent contributions and special event funding from City funds to disclose employees, directors, officers, and volunteers who are current employees of the City of Delray Beach.

Implemented

2. We recommend that the City add language to the “City of Delray Beach Direct Payment Check Request” form requiring any approver to certify that he/she has not served as an officer, director, or employee of the organization receiving funds

Implemented

3. We recommend that the City have its employees acknowledge and sign the City’s Conflict of Interest and Disclosure form on an annual basis.

Implemented

5/21/2021
Report Number
2020-0007

Delray Beach Reclaimed Water Reporting

Recommendations:

1. Consider implementing an on-line, telephone, or text alert system that could notify residents of any reclaimed water issues as soon as they are identified.

Implemented

Section D – Appendices

2. Consider improving outreach and awareness to residents informing them of the City's reclaimed water processes.

Implemented

3. Consider providing annual training to Water and Sewer Department employees regarding the City's reclaimed water documentation processes. These processes should include concurrent documentation and submission of inspection forms.

Implemented

4/28/2021
Report Number
2020-0006

Palm Beach County Fire Rescue Use of Facilities for Profit

Recommendations:

1. Fire Rescue should provide training on appropriate use of Fire Rescue facilities, including but limited to fire stations.

Implemented

2. Fire Rescue should consider adopting an internal rule or policy regarding the disclosure of outside employment and the review of such disclosures for potential conflicts of interest. In addition, Fire Rescue should consider incorporating the substance of the County Commission on Ethics' Employee Conflict of Interest form as it relates to outside employment as part of its internal training and policy.

Implemented

6/8/2021
Report Number
2021-0005

Kahna BG-Dilip Patel False Statements on CARES Act Grant Application

Recommendations:

1. The County pursue action to recoup \$15,212.00 in funding granted to Kahna BG based on false declarations in their Restart Business Grant application.

Implemented

9/20/2021
Report Number
2021-0006

Kahna SB-False Statements on CARES Act Grant Application

Recommendations:

1. The County pursue action to recoup \$3,750.00 in funding granted to Kahna SB based on false declarations in their Restart Business Grant application.

Implemented

Section D – Appendices

9/28/2021 **False Representations on CARES Act Rental Assistance Applications**
Report Number
2021-0002 **Recommendations:**

2. The County seek reimbursement of \$10,000.00 in issued funds.

Implemented

AUDIT REPORTS COMPLETED
(October 1, 2020 – September 30, 2021)

Date
10/26/2020 **City of Belle Glade – Travel Audit**
Report Number
2021-A-0001 **Recommendations:**

1. The City Commission follow the Credit Card Resolution and Credit Card Agreement requirements.

Implemented

2. The City comply with its Travel Ordinance providing that the City Commission approve the travel and associated costs for City Commissioner travel and provide an independent oversight reconciliation process for travel credit card expenditures, including tracing the credit card receipts and statements to the applicable travel documentation, to ensure compliance with the Credit Card Resolution and Credit Card Agreement.

Implemented

3. The City obtain and maintain receipts to support all travel expenses.

Implemented

4. The City Commission adopt additional internal controls and written guidance applicable to City employees and officials to assist the City Commission and personnel in properly performing and documenting travel activities.

Implemented

5. The City consider obtaining the \$54.51 owed to the City for unauthorized travel expenses paid with a City credit card.

Implemented

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6. The City require that Credit Card Agreements be reviewed and signed by users periodically to ensure the City Commission, employees, and other authorized cardholders are aware of the requirements.

Implemented

7. The City follow the applicable City travel-related requirements.

Implemented

8. The City obtain and maintain proper documentation to support all travel expenses as required by its Credit Card Resolution, where applicable.

Implemented

9. The City consider obtaining reimbursement for the \$528.47 charged to the City's credit card for Florida sales tax to vendors.

Implemented

10. The City consider obtaining the \$92.19 incorrectly reimbursed to traveler.

Implemented

11. The City consider paying \$341.76 to travelers for incorrect mileage allowance reimbursements.

Implemented

12. The City develop and implement an independent oversight process for all Commissioner and City Commission authorized travel expenditures to ensure compliance with written requirements.

Implemented

13. The City update IT policies and procedures to provide guidance for the removal of computer user access upon an employee's separation.

Implemented

14. The City create and implement an employee separation checklist that includes, but is not limited to, timely communication for the removal of computer system user access.

Implemented

15. The City provide guidance and training to employees about the updated IT policies and procedures and the implemented employee separation checklist.

Implemented

Section D – Appendices

16. The City update its draft Travel Policy to be consistent with applicable written guidance documents for travel activities.

Implemented

17. The City periodically review its written guidance for travel activities to ensure consistency across all requirements.

Implemented

18. The City should review its process to ensure all ordinances are codified into the Code of Ordinances.

Implemented

19. The City Clerk distribute newly passed resolutions and ordinances to applicable City staff to ensure staff are aware of the resolution and ordinance requirements.

Implemented

12/21/2020

Interlocal Agreement for Law Enforcement Services between Palm Beach County and the City of Boynton Beach

Report Number

2021-A-0002

Recommendation:

1. The City implement a review and oversight process to ensure that all supporting documentation, including but not limited to monthly payroll documentation for hours worked by City officers, is included with reimbursement requests submitted to the County, as required by the Agreement.

Implemented

3/22/2021

Town of South Palm Beach – Revenue Audit

Report Number

2021-A-0003

Recommendations:

1. The Town refund or credit customers the total amount over-collected for FY 2017 and 2018 sewer charges.

Pending Implementation

2. The Town determine if sewer customers were over-billed prior to FY2017 (after the adoption of Resolution No. 431) and refund or credit customers the amount over collected, if applicable.

Pending Implementation

Section D – Appendices

3. The Town comply with Section 180.136, F.S., and properly notify customers of any sewer rate increases and the date, time, and place of the meeting at which any increase will be considered.

Pending Implementation

4. The Town develop policies and/or procedures to provide staff with guidance on how to implement and document annual sewer rate increases, including notification to customers.

Pending Implementation

5. The Town comply with its Adopted Accounting Procedures guidance for the reconciliation of bank statements and the receipt and safeguarding of cash and checks prior to bank deposit.

Pending Implementation

6. The Town reconcile all bank accounts, including investment bank accounts, to the Town's records.

Pending Implementation

7. The Town research the 24 adjustment transactions that lacked supporting documentation to determine if they are appropriate and make correcting adjustments, if necessary.

Pending Implementation

8. The Town revise its Adopted Accounting procedures guidance to ensure that internal controls are properly established and consistent for the receipt, safeguarding, and deposit of cash and checks. At a minimum, the Town should specify the procedure for the receipt of cash and checks via the mail; require that cash and checks are deposited in a consistent, specified, and timely manner; and require that monthly bank reconciliations for all Town bank accounts are independently reviewed and approved.

Pending Implementation

9. The Town implement and update the Adopted Accounting Procedures for a documented review and approval process of adjustment transactions including, but not limited to, adjusting journal entries and reversals.

Pending Implementation

10. The Town consider recouping the under-collected permit and surcharge fees that totaled \$1,796.23.

Pending Implementation

Section D – Appendices

11. The Town obtain and review supporting documentation for the Town's utility tax and franchise fee revenue to ensure the correct amount was received in accordance with the Town's Code of Ordinances and franchise agreements.

Pending Implementation

12. The Town record/post revenue transactions in the proper revenue account based on UAS Account Classifications.

Pending Implementation

13. The Town implement review and oversight processes to ensure revenue transactions are adequately supported and posted to the proper revenue account code in the financial system.

Implemented

14. The Town consider submitting corrected Annual Financial Reports to the Department for the revenue sources that were coded to the incorrect UAS revenue account codes.

Pending Implementation

15. The Town develop and implement policies and procedures to provide sufficient guidance for UAS Account selections.

Pending Implementation

16. The Town research and resolve building permit discrepancies between the general ledger and the Permit and Auditor Logs.

Pending Implementation

17. The Town routinely reconcile the Permit and Auditor Logs to the general ledger building permit cash receipts/revenue.

Pending Implementation

18. The Town provide training to staff for the IT policies and procedures, as needed. The Town develop and implement written IT policies and procedures to ensure consistency of operations that provide guidance, at a minimum, for how to:

- a. Assign and remove user rights and a reasonable time for removal when access is no longer appropriate,
- b. Authorize user access,
- c. Limit system access by requiring unique user IDs and passwords, and
- d. Provide for user change management (new and separated employees).

Pending Implementation

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19. The Town provide staff training for the IT policies and procedures, as needed.

Pending Implementation

4/20/2021

Interlocal Agreement for Law Enforcement Services between Palm Beach County and the Town of Jupiter

Report Number

2021-A-0004

Recommendation:

1. The Town implement a review and oversight process to ensure:
 - a. All required supporting documentation, including but not limited to warnings and citations, is included with the invoice.
 - b. The invoice reflects the correct reimbursement amount based on the Agreement rate and supporting payroll documentation.
 - c. The officers' Leave/OT Accrual forms reflect the correct date worked prior to the supervisor's approval.

Pending Implementation

5/27/2021

Town of Palm Beach – Internal Control and Data Security Audit

Report Number

2021-A-0005

Recommendations:⁴

1. The Town [REDACTED]

Pending Implementation

2. The Town [REDACTED]

Pending Implementation

3. Upon approval of access, the Town instruct personnel regarding the confidentiality of the motor vehicle information exchanged under the MOU and the civil and criminal sanctions for unauthorized use of that information and obtain the personnel's signed acknowledgement forms confirming their understanding.

Pending Implementation

4. The Town obtain signed acknowledgment forms for the three (3) Police Department Parking Enforcement personnel.

Implemented

⁴ Redacted per 282.318(5)(6)(8), Florida Statutes

Section D – Appendices

5. The Town perform and document an annual user account and access review, as required by the OIT Technologies Policy.

Implemented

6. The Town perform and document the user account and access reviews annually going forward, as required by the OIT Technologies Policy.

Pending Implementation

7. The Town notify the HSMV of any future changes to the name, address, telephone number, and/or email address of the Requesting Party, its Point-of-Contact for Consumer Complaints, and/or its Technical Contact within five (5) business days.

Pending Implementation

9/7/2021

Interlocal Agreement for Law Enforcement Services between Palm Beach County and the Village of North Palm Beach

Report Number
2021-A-0006

Recommendations:

1. The Village reimburse the County \$3,010.00.

Implemented

2. The Village provide training to officers or require a signed acknowledgment to ensure they understand the requirements in the Communications Procedure 18.1.4 for call-ins to dispatch at the start and end of assignments.

Pending Implementation

3. The Village implement checks and balances to ensure that the radio call-ins to dispatch, at the assignment start and end times, are recorded in the CAD system, and match the payroll records prior to approving the payroll for submission to the County for payment.

Pending Implementation

4. The Village follow its Payroll and Personnel Administration Policy for approval of payroll categories other than regular pay.

Pending Implementation

5. The Village implement a review and oversight process to ensure:
 - a. All supporting documentation, including but not limited to payroll records and warnings or citations issued, is included with the invoice submitted to the County for reimbursement, as required by the Agreement;

Section D – Appendices

- b. The correct reimbursement amount is requested based on the Agreement rate and supporting payroll documentation; and
- c. The officer's personnel action forms are properly approved prior to submission to the County for reimbursement.

Pending Implementation

9/13/2021
Report Number
2021-A-0007

City of Lake Worth Beach – Travel Audit

Recommendations:

- 1. The City comply with the City's Travel Resolution, Travel Policy, Travel Procedures, and Purchasing Card Procedures.

Pending Implementation

- 2. The City develop an adequate training program for travelers and individuals preparing and/or processing travel expense reports for travelers or require that they acknowledge their understanding of the Travel Resolution, Travel Policy, and Travel Procedures requirements and responsibilities.

Pending Implementation

- 3. The City consider recouping \$985.50 incorrectly reimbursed to travelers for travel expenses that were disallowed or prohibited by the City's Travel Resolution, Travel Policy, and/or Travel Procedures.

Pending Implementation

- 4. The City consider recouping \$708.63 incorrectly reimbursed to travelers for travel expenses that lacked sufficient documentation, as required.

Pending Implementation

- 5. The City recoup \$538.69 incorrectly reimbursed or advanced to travelers for incorrect per diem meal and mileage amounts.

Pending Implementation

- 6. The City consider reimbursing traveler \$16.00 for the per diem meal amount incorrectly deducted from the travel reimbursement.

Pending Implementation

- 7. The City consider obtaining reimbursement for the \$1,009.63 incorrectly paid for Florida Sales tax to vendors.

Pending Implementation

Section D – Appendices

8. The City designate an independent approver for the City Manager’s purchasing card purchases and update the Purchasing Card Policies and Procedures to reflect the designated reviewer.

Pending Implementation

9. The City develop and implement written IT policies and procedures to ensure consistency of operations that provide guidance, at a minimum, for how to:
 - a. Assign and remove user rights and a reasonable time for removal when access is no longer appropriate,
 - b. Authorize user access,
 - c. Limit system access by requiring unique user IDs and passwords, and
 - d. Provide for user change management (new and separated employees).

Implemented

10. The City provide staff training for the IT policies and procedures, as needed.

Pending Implementation

11. The City consolidate and retain the City Commissioner’s, Mayor, and Manager’s travel records by traveler and trip and reconcile traveler Training or Travel Authorization and Expense Report Forms to purchasing card and cash disbursement records to ensure all applicable travel expenditures are reported and related expenditure documentation is included as support.

Pending Implementation

CONTRACT OVERSIGHT AND EVALUATIONS REPORTS COMPLETED (October 1, 2020 – September 30, 2021)

12/15/2020 Palm Beach County – Department of Housing and Economic Sustainability (DHES), Restart Business Grant Program Application Review

Report Number

CA-2020-0065

Recommendations:

1. DHES consider recouping the grant award amounts overpaid to businesses.

The County considered recouping the \$6,135.83 from the three businesses, but since the pandemic continued to significantly impact small businesses, the amounts were minor, and the overpayments were the result of math errors during the application review process, DHES decided not to recoup the funds.

Pending Implementation

Appendix 3 – Prior Years’ Significant Open Recommendations

The OIG has issued hundreds of recommendations since its creation in 2010 with an overall 95% of these having been accepted or pending implementation by management. This high acceptance/implementation rate reflects well upon the OIG staff working with management to develop realistic and achievable recommendations that make good business sense to improve government operations. The IG Ordinance requires the IG to report on *significant* recommendations described in previous annual reports for which corrective action has not been completed.

Due to the persistence of the Coronavirus (COVID-19) pandemic and the many challenges and additional burdens placed upon government agencies, it is understandable that implementing our OIG recommendations has been an added challenge. Consequently, prior years’ significant open recommendations have increased from previous years. We will continue to work with management in monitoring these recommendations.

The following lists these significant recommendations.

Date

1/17/2019

Report Number

2019-A-0003

City of Riviera Beach – Purchasing Cards and Council Members’ Out-of-State Travel Audit

Recommendations:

29. The City Develop and implement an independent oversight process for all Council Members and Mayor’s travel expenditures to ensure compliance with all policy requirements.

Pending Implementation

2/19/2019

Report Number

2019-A-0004

Town of Jupiter Inlet Colony – Revenue Audit

Recommendations:

1. The Town update its chart of accounts to be in compliance with the statutory requirements.

Pending Implementation

7. The Town record/post revenue transactions in the proper revenue account based on the Uniform Accounting System Chart of Accounts.

Pending Implementation

8. The Town implement a review process and comply with the requirements for annual financial reporting and audits for municipalities, as required in Florida Statutes.

Pending Implementation

Section D – Appendices

9. The Town perform and document reconciliations between the cash receipt book, permit computer system, and financial computer system by an independent individual.

Pending Implementation

10. The Town develop and implement policies and procedures for the reconciliation process between the cash receipts, permit computer system, and financial computer system.

Pending Implementation

11. The Town develop and implement written guidance for permit fee receipting, recording, and refunding.

Pending Implementation

13. The Town's accounting policies and procedures be updated to reflect actual operations.

Pending Implementation

14. The preparer and reviewer should sign and date reconciliation reports when reconciliations are completed to evidence completion.

Pending Implementation

16. The Town comply with the deposit and bank account reconciliation procedures.

Pending Implementation

18. The Town update its accounting policies and procedures to clearly define and document financial procedures that ensure all aspects of the revenue and cash receipting process have proper reconciliation and review.

Pending Implementation

29. The Town monitor unpaid permit fees and provide routine notice and follow-up for customer account balances that are aging.

Pending Implementation

31. The Town update its written guidance to be in compliance with applicable Florida law and consistent throughout all written documents for permits, surcharges, and licensing.

Pending Implementation

Section D – Appendices

34. The Town develop and implement written IT policies and procedures to ensure consistency of operations that provide guidance, at a minimum, for how to:
- a. Assign and remove user rights and a reasonable time for completion,
 - b. Authorize user access,
 - c. Limit system access requiring unique user IDs and passwords,
 - d. Provide for user change management (new and separated employees),
 - e. Provide guidance to employees.; and
 - f. The Town require each computer system user to have a unique user ID and password that are kept confidential, and obtain additional user licenses, as needed.

Pending Implementation

6/26/2019
Report Number
2019-A-0006

Village of Golf – Water Utility Cross-Connection Program Audit

Recommendations:

1. The Village ensure all residential and commercial backflow prevention devices have been inspected and require inspection reports, as needed.

Pending Implementation

2. The Village obtain and maintain copies of all inspection reports and repairs made to backflow prevention devices.

Pending Implementation

3. The Village create and maintain a current master inventory device listing of all residential and commercial (non-residential) backflow prevention devices.

Pending Implementation

4. The Village require the Homeowner’s Association and the building owners to use the Village inspection forms and submit them to the Village within seven (7) days of completion.

Pending Implementation

5. The Village maintain a current master listing of all air-gaps and inspect the air-gaps.

Pending Implementation

6. The Village ensure all backflow prevention devices that fail the annual inspection be repaired and re-tested.

Pending Implementation

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7. The Village implement a monitoring program to ensure backflow prevention devices that fail the annual inspection are repaired and retested within 30 days.

Pending Implementation

9/9/2019
Report Number
2019-A-0010

City of West Palm Beach – Travel Audit

Recommendations:

5. The City review the policy requirements related to purchasing card prohibited uses and determine whether the City wants to revise the policy to reflect actual operations processes.

Pending Implementation

8. The City revise the Travel Policy to prohibit unnecessary upgrades, such as, valet parking when self-parking is available and requiring that the conference training or event agenda and event detail for meals included in the registration be included in the supporting documentation for the travel expense report.

Pending Implementation

13. The City provide training to reviewers on the Travel Policy requirements including review and oversight responsibilities and any revisions to the Travel Policy.

Pending Implementation

14. The City develop and implement a review and oversight process to ensure that expenditures from the City Commission District Accounts have adequate documentation to support the expenditure.

Pending Implementation

19. The City develop and implement a process to ensure that prepaid travel expenses for former employees are cancelled and refunded or transferred to another City employee upon employment separation.

Pending Implementation

20. The City locate the ethics training acknowledgment forms for the two Commissioners or ensure the City receives copies of the forms for training completed and include the forms in the Human Resource files.

Pending Implementation

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21. The City develop and implement a process to ensure that City officials submit the required ethics training acknowledgment form, as required by the City's Ethics Training Policy.

Pending Implementation

22. The City review and resolve the duplicate transactions identified in the system.

Pending Implementation

23. The City develop and implement a process to prevent or identify and resolve duplicate travel records in the travel computer system.

Pending Implementation

25. The City locate the Motor Vehicle Policy effective prior to December 31, 2018 or seek advice and assistance from its legal department on how to resolve.

Pending Implementation

26. The City implement a process for retention of policies and procedures documents to comply with statutory requirements.

Pending Implementation

27. The City retain all directives, policies, and procedures that are superseded for at least two years to comply with statutory requirements.

Pending Implementation

28. The City obtain valid Florida driver's licenses for the four (4) employees that used vehicles without a current Florida driver's license in their personnel file and update those personnel files.

Pending Implementation

29. The City review all personnel files for employees that use City vehicles and ensure that a copy of the valid Florida driver's license is in the personnel file.

Pending Implementation

30. The City develop a process including policies and procedures to ensure that employees authorized to operate a motor vehicle have a current Florida driver's license maintained in their personnel file.

Pending Implementation

9/18/2019
Report Number
2019-A-0011

City of West Palm Beach – Interlocal Agreement for Law Enforcement Services between Palm Beach County and the City of West Palm Beach (Manatee Program) Audit

Recommendations:

2. The City provide training to officers to ensure they understand the requirements in the Procedure for call ins to dispatch at the start and end of assignments so that the CAD system accurately reflects the hours worked.

Pending Implementation

3. The City implement a check and balance to ensure that the radio call ins to dispatch at the assignment start and end times, recorded in the CAD system, match the payroll records prior to approving the payroll for submission to the County for payment for this Agreement.

Pending Implementation

5. The City implement a review and oversight process to ensure that all documentation supporting the invoice, including hours worked, is accurate prior to submitting the invoice to the County for reimbursement.

Pending Implementation

6. The City implement a review and oversight process to ensure that all supporting documentation, including but not limited to documentation of warnings and citations and monthly payroll documentation for hours worked by City officers, is included with the invoice submitted to the County for reimbursement, as required by the Agreement.

Pending Implementation

10. The City implement procedures to ensure that warnings and citations are completed with all pertinent information.

Pending Implementation

12. The City retain records as required by the Agreement.

Pending Implementation

13. The City provide training to City Police Department employees on record retention requirements and disposal requirements.

Pending Implementation

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12/2/2019
Report Number
2020-A-0002

Town of Haverhill – Revenue Audit

Recommendations:

4. The Town update its general ledger chart of accounts to be in compliance with statutory requirements.

Pending Implementation

6. The Town record/post revenue transactions in the proper revenue account based on the UAS Chart of Accounts.

Pending Implementation

7. The Town comply with its General Policies and Duties guidance for the reconciliation of bank statements and the review and approval of financial statements and documents.

Pending Implementation

8. The Town revise its General Policies and Duties guidance to ensure that internal controls are properly established to safeguard assets, as required by Florida Statutes.

Pending Implementation

10. The Town collect and remit applicable sales tax to the Florida Department of Revenue.

Pending Implementation

12. The Town provide staff training for the updated written guidance.

Pending Implementation

13. The Town adjust its process to comply with its Building Permit Department Procedures for the refund of permit fees.

Pending Implementation

15. The Town develop and implement written IT policies to ensure consistency of operations that provide guidance, at a minimum, for how to:

- a. Assign and remove user rights and a reasonable time for removal when access is no longer appropriate,
- b. Authorize user access,
- c. Limit system access by requiring unique user IDs and passwords, and
- d. Provide for user change management.

Pending Implementation

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2/11/2020

City of Pahokee – Review of Technomarine Construction, Inc. Contracts

Report Number

CA-2020-0074

Recommendations:

1. City Officials responsible for managing grants become familiar with grant terms and comply with applicable terms and specifications.

Pending implementation.

2. The City develop and implement a policy/procedure about grant administration and train City staff.

Pending implementation

3. As a part of the City's policy and/or procedure regarding grant administration, the City should consider the development and implementation of a Project Implementation Plan (PIP) for grant awards.

Pending implementation

4. The City develop and implement a policy/procedure that includes construction requirements and compliance with section 255.05, Florida Statutes.

Pending implementation

5. The City provide training to staff on the requirements in section 255.05.

Pending implementation

6. The City comply with its ordinances.

Pending implementation

7. The City develop and implement a policy/procedure to provide direction to City staff to comply with Sec. 2-272.

Pending implementation

8. The City Manager comply with FL Code of Ordinances, Sec. 2-272.

Pending implementation

9. The City Manager not sign agreements that have not been reviewed by the City Attorney to either approve or disapprove the legal sufficiency of the document.

Pending implementation

10. The City develop and implement procurement policies and procedures for project management and effective contract administration.

The policies and procedures should include verifying and inspecting deliverables prior to approving and issuing payment. "Accepted deliverables may include approved product specifications, delivery receipts, and work performance documents".

Documenting the verification of deliverables further supports the acceptance of deliverables. "The State of Florida Contract and Grant User Guide" in its Payment Verification section provides the user payment verification actions to use for cost reimbursement contracts.

Pending implementation

4/6/2020
Report Number
2019-A-0003

City of Riviera Beach – Employment Separation Process Audit

Recommendations:

8. The City ensure that the four (4) employees with undocumented and unauthorized separations are properly separated in all of the City's computer systems and properly documented according to the City's separation process.

Pending Implementation

11. The Police Department update the Separations and Retirements Policy to ensure that discharged employees are properly documented and City property is returned.

Pending Implementation

Inspectors General: Why?

"If men were angels, no government would be necessary. If angels were to govern men, neither external nor internal controls on government would be necessary. In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place, oblige it to control itself."

James Madison, *Federalist* No. 51, February 8, 1788

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Appendix 4 – FY2022 Audit Plan at a Glance

Audit	Objectives
Carryover Audits	
Revenue – Town of Juno Beach	<ul style="list-style-type: none"> • Are controls in place and adequate for revenue and/or cash intake/receipt activities? • Are revenues recorded appropriately and accurately in compliance with financial requirements? • Are cash receipts accurately and timely recorded? • Is the Town making efficient use of the revenue through investments?
Accounts Payable/Cash Disbursements – City of Delray Beach	<ul style="list-style-type: none"> • Are controls adequate for accounts payable expenditures and cash disbursements? • Are control procedures adequate to ensure that expenditures/cash disbursements are in compliance with requirements, allocated to appropriate activities, and properly reviewed and approved prior to payment? • Are purchases and invoices properly documented and approved to avoid possible fraud, waste, and abuse?
Accounts Payable/Cash Disbursements – City of Boca Raton	<ul style="list-style-type: none"> • Are controls adequate for accounts payable expenditures and cash disbursements? • Are control procedures adequate to ensure that expenditures/cash disbursements are in compliance with requirements, allocated to appropriate activities, and properly reviewed and approved prior to payment? • Are purchases and invoices properly documented and approved to avoid possible fraud, waste, and abuse?
Payroll - Palm Beach County Fire Rescue	<ul style="list-style-type: none"> • Are controls adequate for the payroll process? • Is payroll information properly secured, accurate, and reliable? • Are payroll operations in compliance with regulatory requirements, policies, and procedures?
Construction Contracts – Village of Tequesta New Community Center Constitution Park	<ul style="list-style-type: none"> • Are controls adequate to effectively manage construction contracts? • Are control procedures adequate to ensure that construction contracts are competitively procured and managed effectively in accordance with construction contract terms and conditions? • Are invoices properly documented and approved to avoid possible fraud, waste, and abuse? • Were agreed upon deliverables received?
Contracts/Agreements – Community Based Agency Contract between Palm Beach County and The Urban League of Palm Beach County, Inc.	<ul style="list-style-type: none"> • Are controls adequate to effectively manage the contract and related activities? • Are invoices properly documented, reviewed, and approved to avoid possible fraud, waste, and abuse? • Was the contract effectively managed? • Were contractual requirements met and agreed upon deliverables received?

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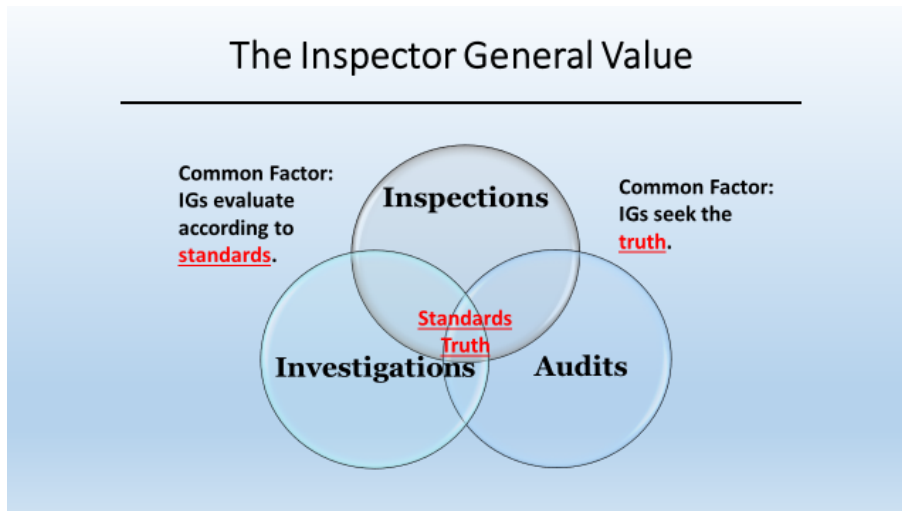
Audit	Objectives
Carryover Audits	
Management Request – City of Pahokee Accounts Payable Expenditures/Cash Disbursements	<ul style="list-style-type: none"> • Are controls adequate for accounts payable expenditures and cash disbursements? • Are control procedures adequate to ensure that expenditures/cash disbursements are in compliance with requirements, allocated to appropriate activities, and properly reviewed and approved prior to payment? • Are purchases and invoices properly documented and approved to avoid possible fraud, waste, and abuse?
Management Request – City of West Palm Beach Fire Assessment Fee	<ul style="list-style-type: none"> • Are controls adequate for the receipt and disbursement of Fire Service Assessment Fee funds? • Are Fire Service Assessment Fee program expenditures (including inter-departmental transfers) accurate, valid, adequately supported, properly approved, and made in accordance with the established fund purpose and applicable requirements? • Is the Fire Service Assessment Fee program operating as intended?

Audit	Possible Objectives
Planned Audits	
Multiple Entities – Contracts/Agreements	<ul style="list-style-type: none"> • Are controls adequate to effectively manage contracts and related activities? • Are control procedures adequate to ensure that contracts are competitively procured, when required, and for appropriate activities? • Are invoices properly reviewed and approved prior to payment? • Are purchases and invoices properly documented and approved to avoid possible fraud, waste, and abuse? • Are contracts effectively managed? • Were agreed upon deliverables received?
Multiple Entities – Coronavirus Relief and Recovery Funds	<ul style="list-style-type: none"> • Are Coronavirus Relief and Recovery programs operating as intended? • Are there adequate controls for the program to ensure eligibility of recipients and expenditure of Coronavirus Relief and Recovery funds? • Are Coronavirus Relief and Recovery program expenditures properly documented and approved to avoid possible fraud and abuse? • Are Coronavirus Relief and Recovery programs managed according to regulations and requirements?

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Audit	Possible Objectives
Planned Audits	
Multiple Entities – Construction Contracts	<ul style="list-style-type: none"> Are controls adequate to effectively manage construction contracts? Are control procedures adequate to ensure that construction contracts are competitively procured and managed effectively in accordance with construction contract terms and conditions? Are invoices properly documented and approved to avoid possible fraud, waste, and abuse? Were agreed upon deliverables received?
Multiple Entities – IT Network Security	<ul style="list-style-type: none"> Are processes in place to prevent network security intrusions? Are processes in place to monitor and detect network security threats, breaches, and intrusions? Are processes in place to respond to and eliminate network security threats, breaches, and intrusions?
Multiple Entities – IT Application Security	<ul style="list-style-type: none"> Is application user access managed effectively to prevent unauthorized access and maintain sufficient separation of duties? Are administrative privileges controlled and user access based on roles and job duties? Are application accounts managed effectively and in compliance with applicable licensing agreements? Are controls adequate to maintain information availability, integrity, and reliability?
Multiple Entities – Audit Recommendation Follow-up	<ul style="list-style-type: none"> Has management adequately implemented the pending audit report recommendations? Has management implemented alternative corrective action(s) to adequately address the risk(s) identified in the pending audit report findings?

**IG / Management Request audits are not included due to their nature. These audits will be added to the audit plan as the requests occur.*



THE MANY WAYS TO REPORT FRAUD TO THE OFFICE OF INSPECTOR GENERAL



REPORT FRAUD CONFIDENTIALLY BY CALLING FIRST

Palm Beach County
Office of Inspector General
100 Australian Avenue
West Palm Beach, FL 33406
TEL: (561) 233-2350
FAX: (561) 233-2370

HOTLINE: (877) 283-7068

Email: Inspector@pbcgov.org
Website: www.pbcgov.com/OIG

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A copy of this report has been made available for public inspection at the Office of the Inspector General, at County and municipal libraries, and is posted on the Office of Inspector General, Palm Beach County website.