OFFICE OF INSPECTOR GENERAL
PALM BEACH COUNTY • FLORIDA
Enhancing Public Trust in Government

15 years of SERVICE to Palm Beach County

2025 ANNUAL REPORT

October 1, 2024 - September 30, 2025

Promoting Integrity, Transparency, and Accountability in Government

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Message from the Inspector General

Citizens of Palm Beach County:

I am pleased to present our Office of Inspector General (OIG) Fiscal Year 2025 (FY2025) Annual Report, covering the activities of the OIG for the period of October 1, 2024 through September 30, 2025. This report summarizes our major efforts to promote integrity, efficiency, and effectiveness in government over the past year.

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

- ***Guarding taxpayers' dollars:** We discovered **$2,208,314** in questioned costs and **over $72,270** in potential cost savings to taxpayers or in future avoidable costs.*
- ***Promoting integrity in government:** We referred **35 matters** to law enforcement or to the State or County Commissions on Ethics.*
- ***Preventing fraud, waste, and abuse/Providing oversight:** We monitored **81 contracts** totaling **over $800 million of taxpayers' dollars**.*
- ***Making government better:** We made **35 recommendations** to government 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. I want to thank the Inspector General Committee for its continued encouragement and insights. Additionally, I want to thank the citizens of Palm Beach County who continue to be the bedrock supporters of our office. Public support and input are critical to our mission success.

In closing, I want to inform you that after completing twelve years as your Inspector General, I am not seeking another term when my current contract expires in June, 2026. It has been my honor to serve the citizens of Palm Beach County.

Sincerely,

John A. Carey
Inspector General

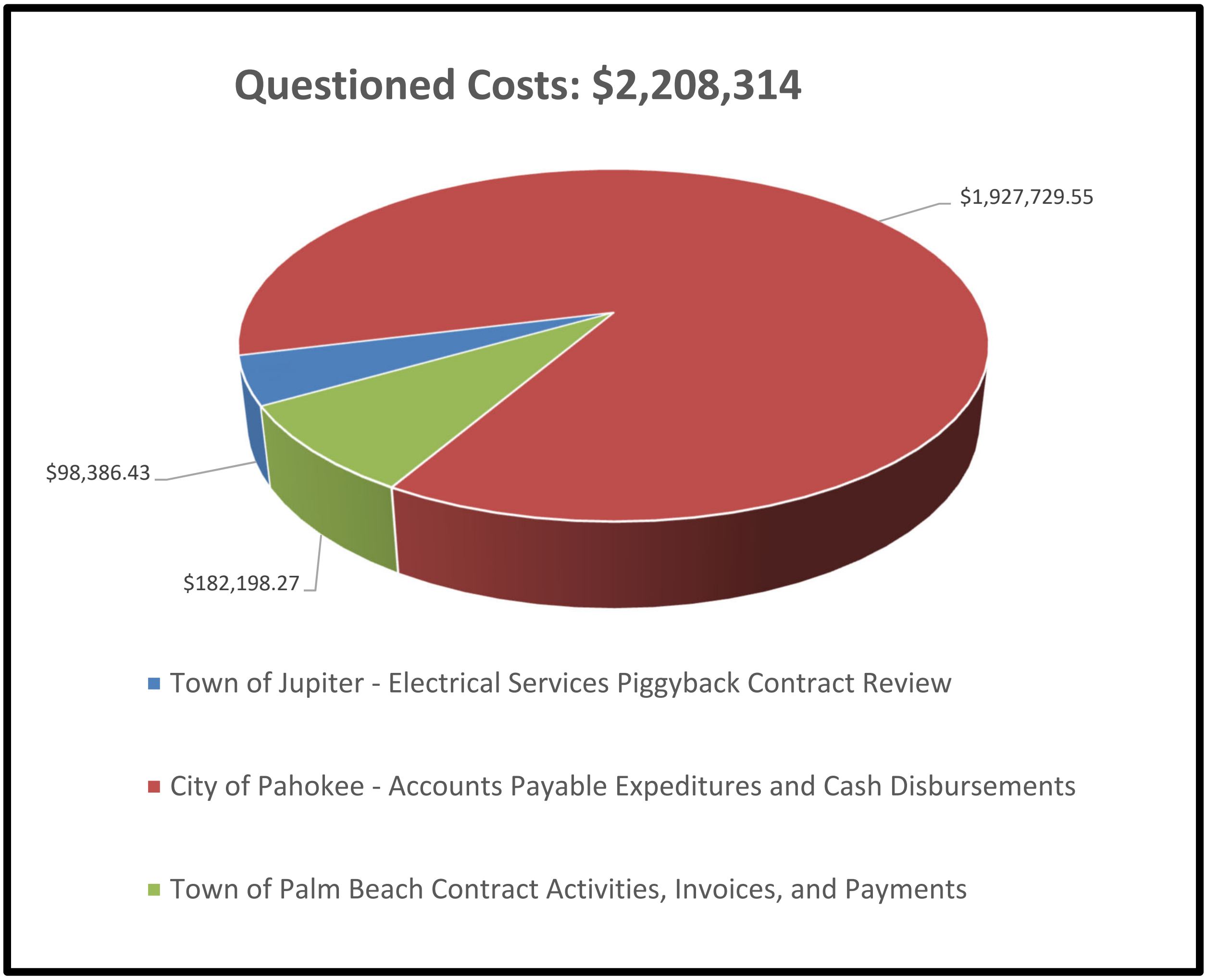
FY2025 ACCOMPLISHMENTS BY THE NUMBERS

At the end of the day, the OIG provides
"Enhanced Trust in Government."

FY2025 FINANCIAL DISCOVERY BREAKDOWN

Guarding Taxpayers' Dollars

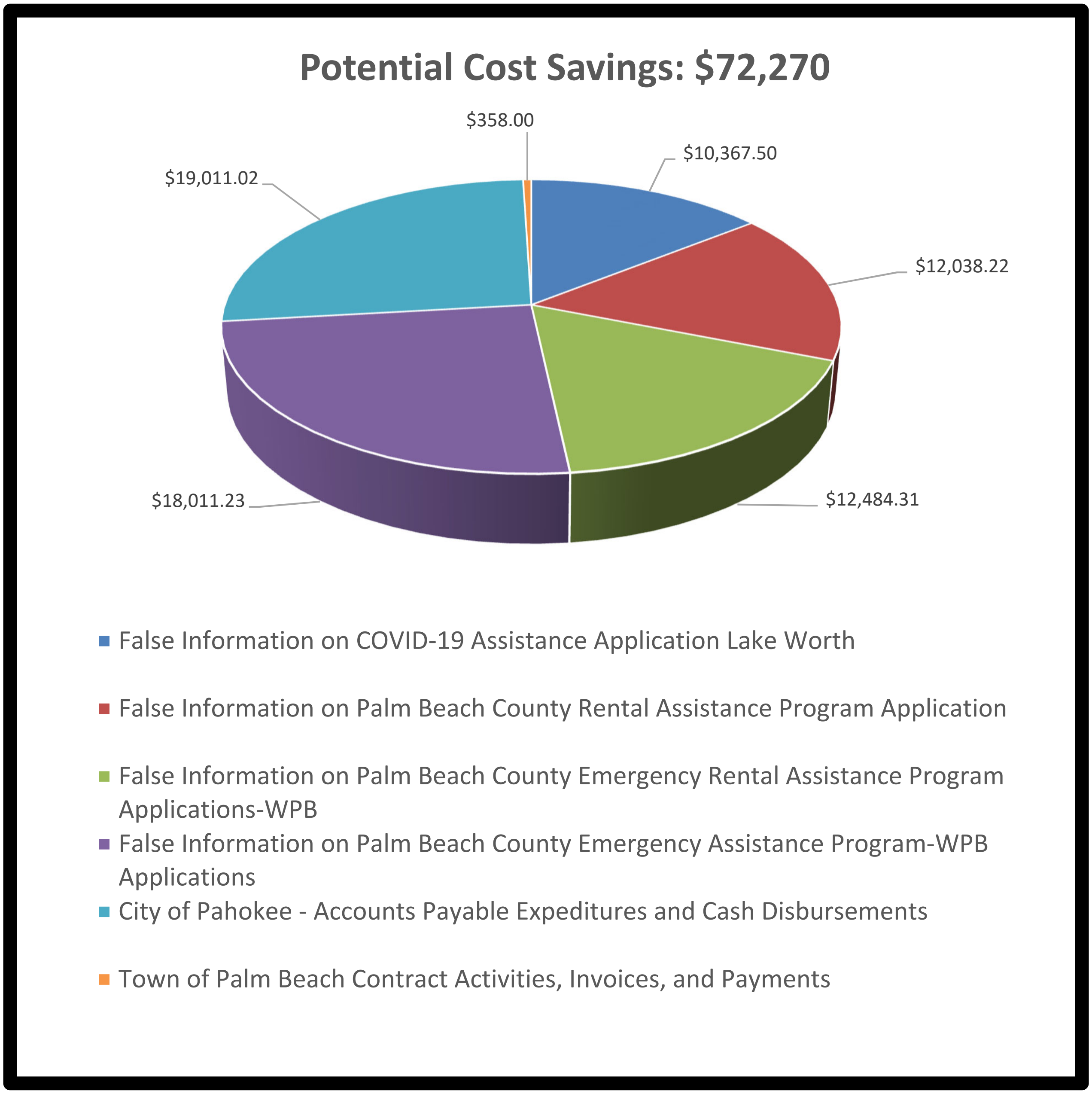
Questioned Costs are costs or financial obligations pursuant to an alleged violation of law, regulation, contract, grant, cooperative agreement, other agreement, policy and procedures, or documents governing the expenditure of funds; costs or financial obligations not supported by adequate documentation; 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.

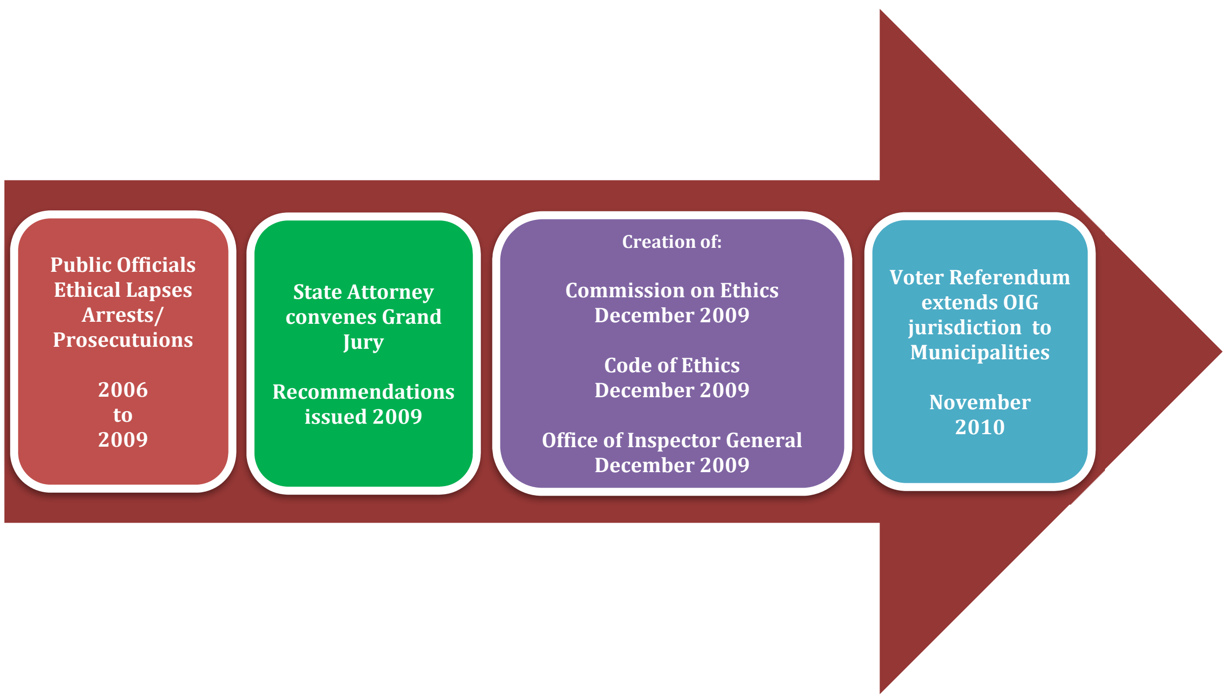
- **Avoidable Costs**: The dollar value for costs that will not have to be incurred, lost funds, and/or an anticipated increase in revenue over three years or the contract period (dollars saved) if the OIG's recommendations are implemented.



HISTORY

Between 2006 and 2009, a series of federal public corruption prosecutions of elected officials from the Palm Beach County Board of County Commissioners 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 County Commissioners 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 that existed at the time within the County 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 County Commissioners, effective June 1, 2011. John A. Carey became the County's second IG in June 2014.

MISSION, VISION, AND VALUES

Mission Statement

To promote integrity, efficiency, and effectiveness in government in order to enhance public trust in government.

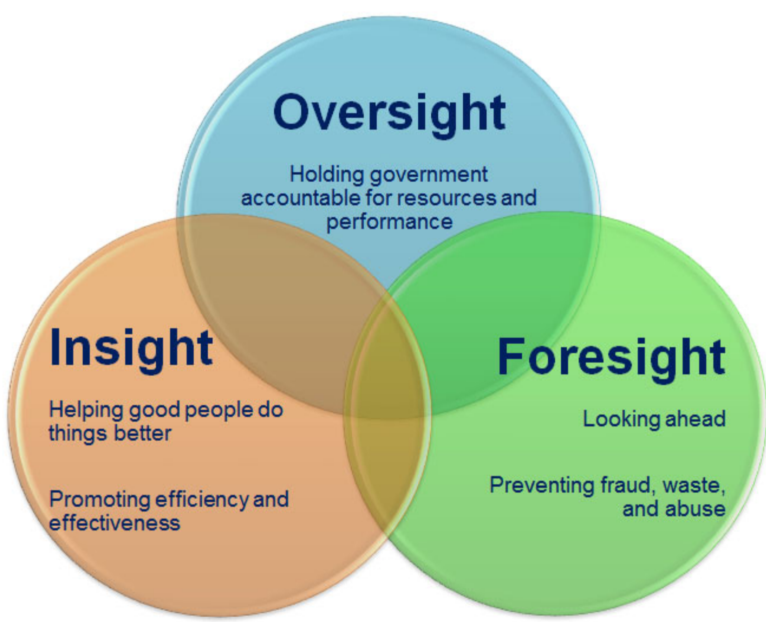
To provide independent and objective insight, oversight, and foresight through audits, investigations, contract oversight, reviews, and outreach activities.

Vision Statement

A high-performance team partnering with informed stakeholders making positive impact in government and increasing public trust.

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. 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 Authority

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.

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.

[1] The OIG does not have jurisdiction over County Constitutional Officers, Judiciary, and Independent Special Districts; however, the OIG may review contracts between these entities and entities within the OIG's jurisdiction. Additionally, the OIG may enter into interlocal agreements with other public entities for services from the OIG.

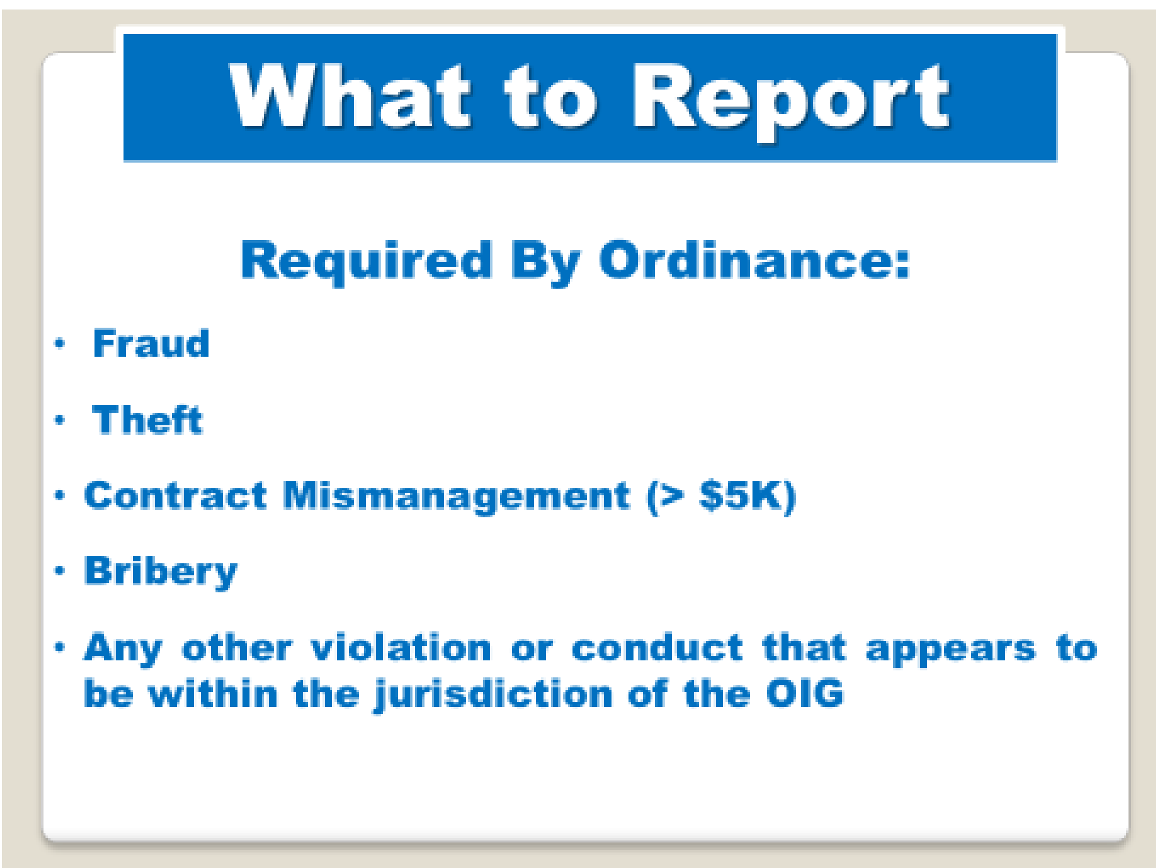
County and Municipal Officials and Employees, Contractors, and Others
Required Reporting to the OIG

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, 2021, and most recently March 2024, 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 or 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, 2018, 2021, and most recently in February 2024. **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 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; 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
- Inspections
- Information Technology

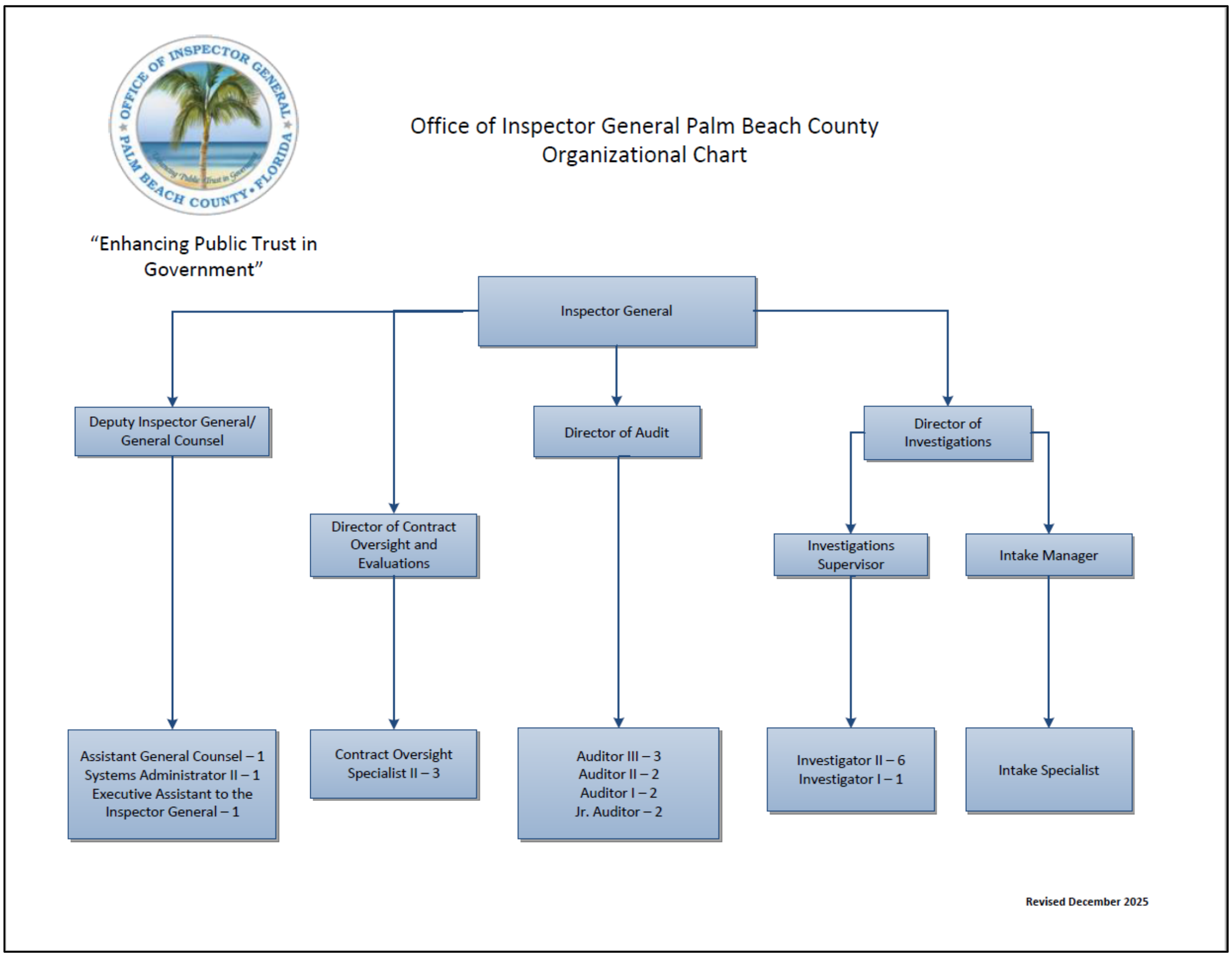
Experts in a field

STRUCTURE AND STAFFING OF THE OFFICE OF INSPECTOR GENERAL

The Inspector General Structure

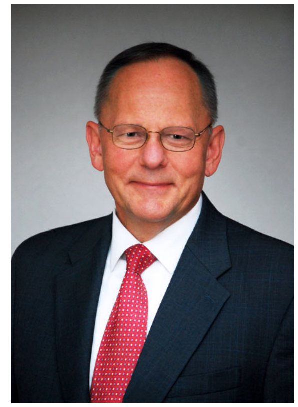
In 2010, The Board of County Comissioners approved 40 positions for the OIG. Due to a lawsuit initiated by some of the municipalities within Palm Beach County regarding OIG funding and subsequent County Commission decisions, the OIG has never been fully funded. During FY2025, the OIG was funded at 30 (75%) of the originally 40 approved positions.

"The sheer size of the operations that your office oversees, your office's jurisdiction and responsibility…is unparalleled by any other local government Inspector General office." 2024 AIG Peer Review Report



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 49 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 25 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 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 GENERAL COUNSEL AND DEPUTY INSPECTOR GENERAL

Kalinthia Dillard became our General Counsel in June 2015 and General Counsel/Deputy IG in July 2017. After graduating from Clemson University and the Florida State University College of Law, she moved to PBC to clerk at the 4th District Court of Appeal. Then, she practiced civil litigation at law firms and worked at the School District of PBC. She is a Certified Inspector General, Certified Inspector General Counsel, Certified Inspector General Auditor, and Certified Inspector General Investigator. Ms. Dillard serves on the Board of the AIG, and as Chair of The Florida Bar's Constitutional Judiciary Committee, Vice Chair of The Florida Bar's Standing Committee on Professionalism, and Chair of The Florida Bar's Grievance Committee - 15D. Ms. Dillard is an alumnus of Leadership PBC and Leadership Florida Cornerstone- Class 39.

Ms. Dillard is a past president of the Forum Club of the Palm Beaches; F. Malcolm Cunningham, Sr. Bar Association; WPB-FL Chapter of The Links, Incorporated; YWCA of PBC; and Virgil Hawkins - FL Chapter National Bar Association. She is a past Chair of The Florida Bar's Law Related Education, Education Law, Professional Ethics, and Grievance - 15A Committees. She was recognized by Florida Trend Magazine as a Legal Elite and received the PBC Chamber Athena Award, PBC Women' Chamber Giraffe Award, Girl Scouts of Southeast Florida Emerald Award for Leadership, and Executive Women of the Palm Beaches Foundation's Women in Leadership Award.

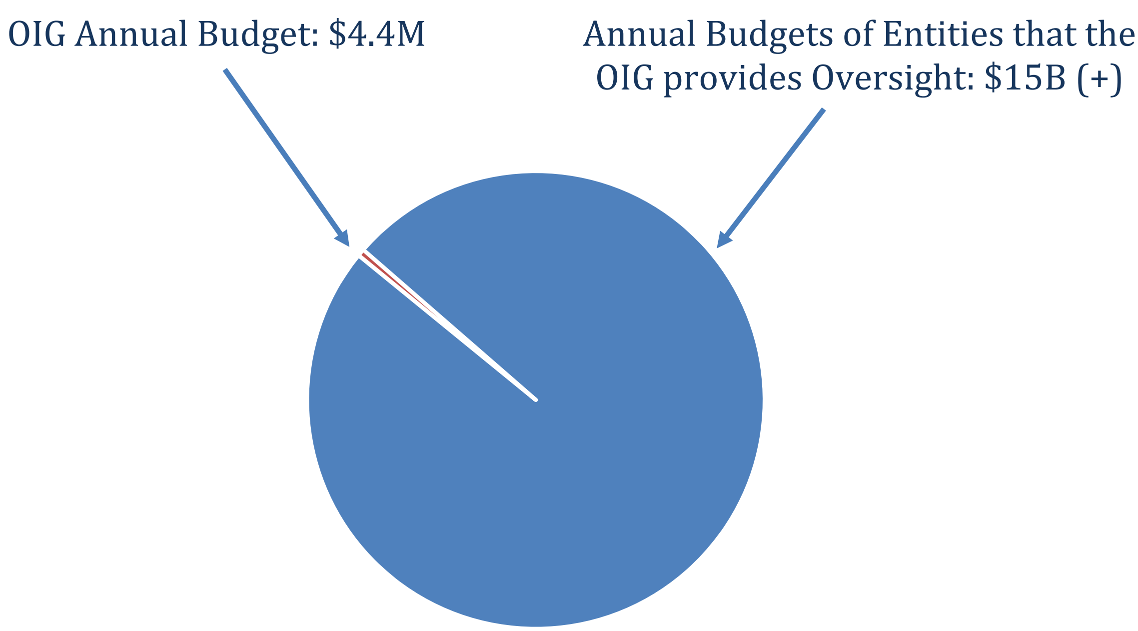
$ <u>OFFICE OF INSPECTOR GENERAL FY2025 BUDGET</u> $

The OIG strives to use taxpayer dollars frugally. In FY2025, the OIG expended $4.06 million (92%) of its approved $4.4 million budget.

At a cost of **$4.06 million** with **30** funded positions, OIG oversight responsibilities include:

- The County, municipalities, SWA, and CSC with total annual budgets of over **$15B**
- The County, municipalities, SWA, and CSC employees numbering over **22,000** people (excluding part-time, seasonal, and contract employees)
- The County, municipalities, SWA, and CSC auditable units identified: **1,062**
- Oversight of **billions of dollars** of contracting activities

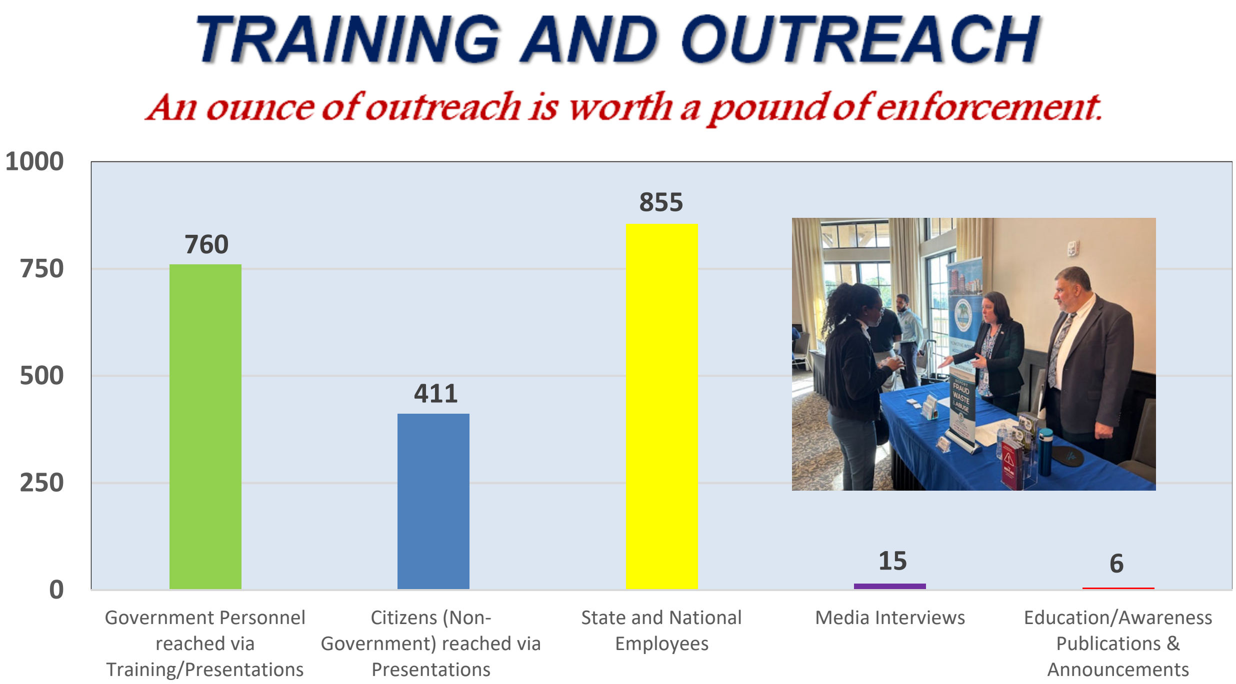
The OIG budget is .029% of the entitities that it provides oversight.



$4.4M = Approx. $2.50 per Citizen or 

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.



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 County Internal Auditor/Inspector General Forum and the South Florida Inspectors General Council. Our Director of Audit serves on the Board of Directors as a Vice President for the County Chapter of the Institute of Internal Auditors and our Investigations Supervisor is the Membership Director for the County Chapter of the Association of Certified Fraud Examiners.

During the year, the IG and senior leaders have provided presentations to hundreds of government employees, community businesses, and service organizations, and in academic classes and forums. We cover such topics as ethics in government, the role of inspectors general, fraud red flags, procurement best practices, and the importance of internal controls.

Social Media

Citizens can follow us on Facebook, X (formerly known as Twitter), Instagram, 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 X on a regular basis to provide regular, up-to-date OIG Reports, *Tips and Trends*, contact information, and County Government and OIG news. 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 X at: https://twitter.com/OIGPBC
Follow us on Facebook at: https://www.facebook.com/PBCOIG/
Visit our website at: http://www.pbc.gov/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 and the Deputy IG/GC are on the Board of Directors 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 four professional certification courses at the Association's Inspector General Institute. The IG, the Deputy IG/General Counsel, the Director of Investigations, 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 Directors of the Florida Chapter of the Association of Inspectors General.

INVESTIGATIONS DIVISION

The Investigations Division investigates allegations of fraud, waste, abuse, mismanagement, and misconduct. It includes the OIG intake section and social media outreach.

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 referred to local, state, or federal law enforcement agencies, with notifications to the State Attorney's Office or the U.S. Attorney's Office.

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 and Certified Inspector General Investigator.

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 local 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 CFA standards. Mr. Dyckman joined the OIG in April 2016, and has over 31 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.

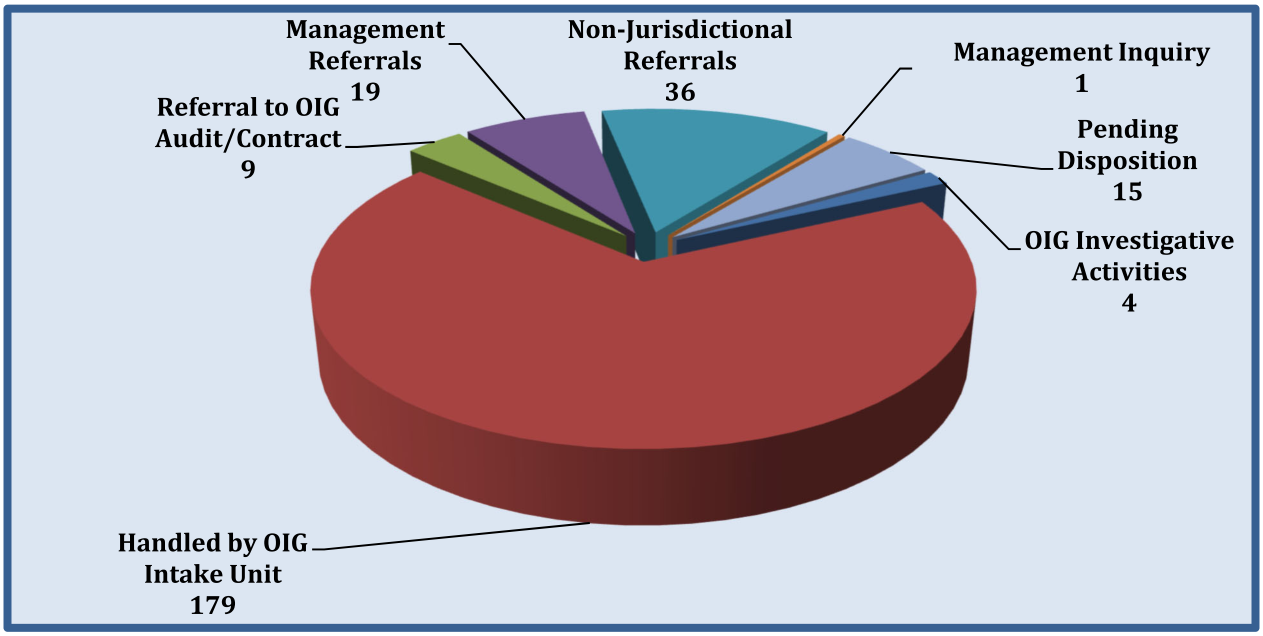
Mr. Dyckman holds a Bachelor's degree in Criminal Justice from the University of Scranton. He is a Certified Fraud Examiner and a Certified Inspector General Investigator. Mr. Dyckman is also a founding member and the current Membership Director of the Palm Beach County Chapter of the Association of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

INVESTIGATIONS HIGHLIGHTS

During FY2025, the Investigations Division issued **seven** reports. Where allegations were substantiated, we referred administrative or disciplinary actions to county, municipal, and/or contracted entities. Additionally, we referred **35** investigative matters to the Federal Bureau of Investigation, the State Attorney's Office, the Palm Beach County Sheriff's Office, the Internal Revenue Service Criminal Investigations, and the County and State Commissions on Ethics. These reports and management responses can be found at http://www.pbc.gov/oig/archreports.htm. A brief summary of the recommendations is also contained in Section D Appendix 2 of this report.

INTAKE ACTIVITIES

"Intake Activities" include letters, emails, phone calls, and/or walk-ins, and include comments, suggestions, questions, and complaints.The OIG received 263 Intake Activities during FY2025. Our actions based on these Intake Activities are depicted below:



- **Handled (Addressed) by OIG Intake Division (179 or 68%):** Correspondences handled by the OIG, deemed for Information Only, and/or Closed with No Action.

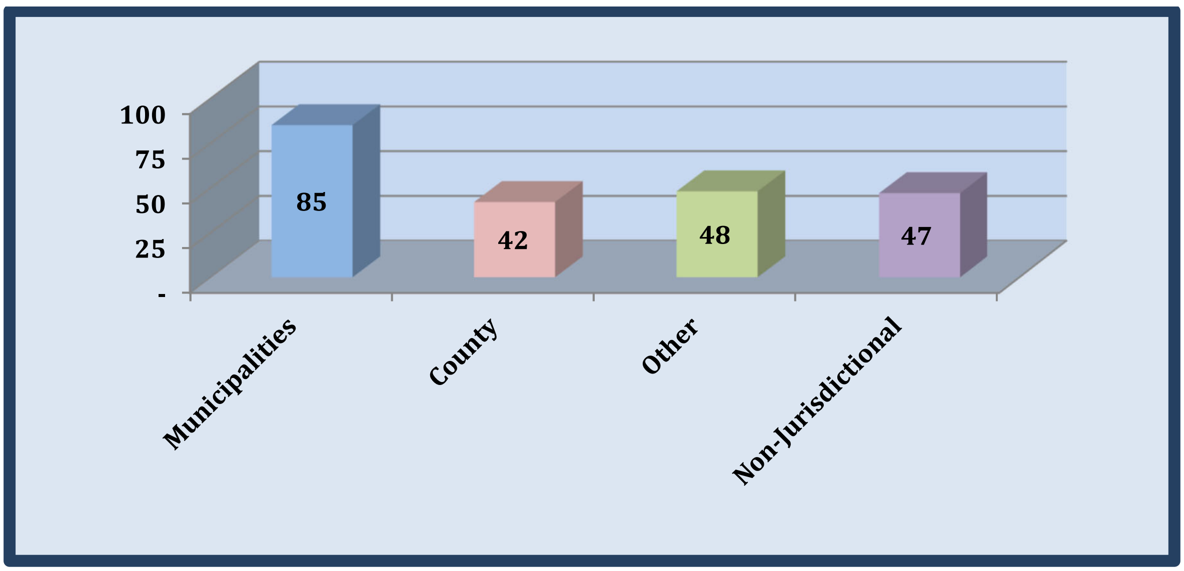
- **Management Referrals (19 or 7%):** Correspondences forwarded to respective management for handling. No response to the OIG is required.

- **Non-Jurisdictional Referrals (36 or 14%):** Correspondences that did not fall within the jurisdiction of the OIG.

- **OIG Investigative Activities (4 or 2%):** Correspondences forwarded to the Investigations Division.
- **Referral to OIG Audit or Contract Oversight (9 or 3%):** Correspondences forwarded to OIG Audit and/or Contract Oversight Divisions for further review.
- **Management Inquiries (1 or >0%):** Correspondences forwarded to respective management for handling. A response to the OIG is required.
- **Pending Disposition (15 or 6%):** Correspondences that have not yet received a disposition.

ALLEGATIONS BY ENTITY

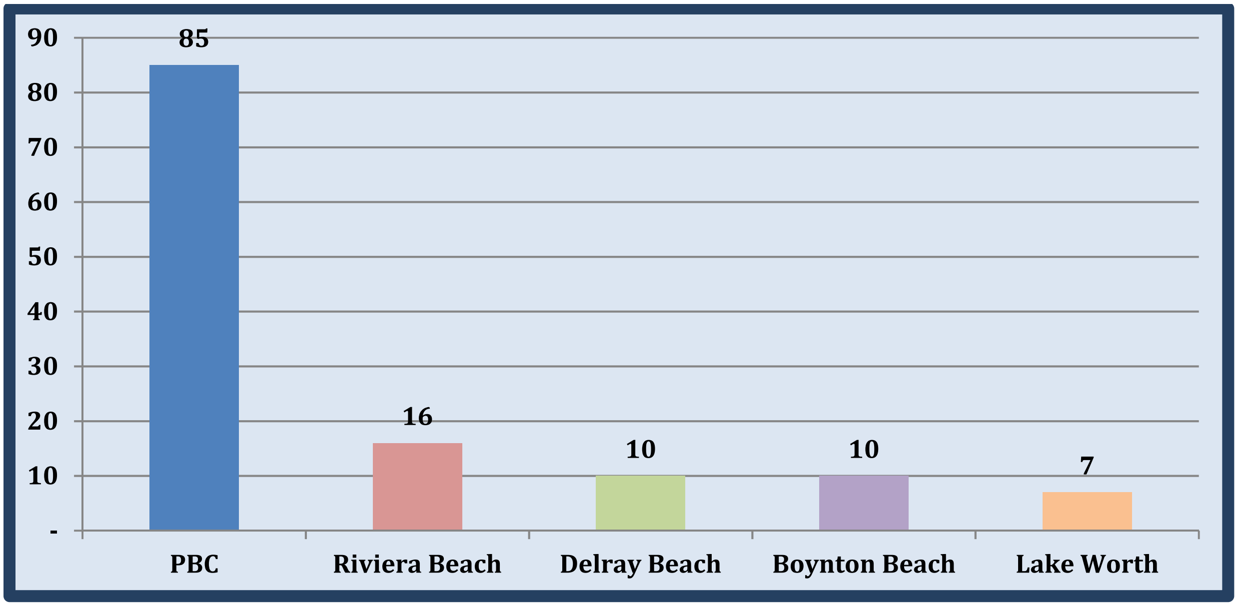
Of the **263** Intake Activities, a total of **222** allegations of potential wrongdoing were made. These allegations were related to the following entities:[2]



Municipalities 85; County 42; Other 48; Non-Jurisdictional 47

[2] "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.

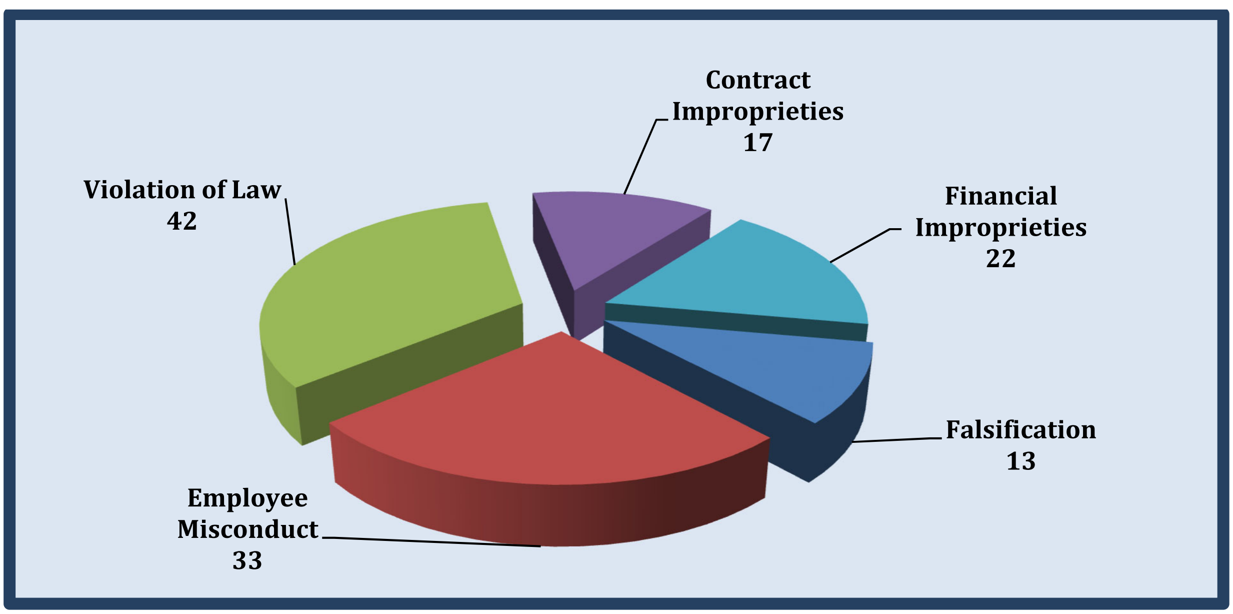
The following is a breakdown of the top five organizations with the most complaints lodged against them or against individuals within those organizations:



PBC 85; Riviera Beach 16; Delray 10; Boynton Beach 10; Lake Worth 7

ALLEGATION TYPES

Of the **222** allegations of potential wrongdoing, **127** were identified as part of the following top five categories:



Violation of Law 42; Employee Misconduct 33; Financial Improprieties 22; Contract Improprieties 17; Falsification 13

INVESTIGATIVE ACTIVITIES

The following are highlights from reports issued in FY2025:

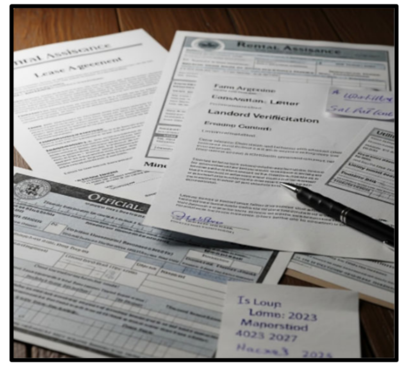
City of Riviera Beach Failure to Report Water Contamination

The OIG found that senior staff with reporting and oversight responsibilities throughout the Riviera Beach City Utility District failed to fulfill their essential duties, resulting in a lack of reporting, the submission of falsified reports, the downplaying of issues, and potentially putting citizens' health at risk. On at least 130 occasions between January and September of 2023, Utility District staff failed to report or adequately supervise other employees responsible for reporting water testing results to the Florida Department of Health (FDOH). Utility District senior staff also failed to immediately report "present" E. coli water contamination results, and submitted false, altered, or misleading test results to the FDOH for two wells. As a result, wells were improperly reactivated for use as part of the City's drinking water system. This OIG Report addressed alleged misconduct by City employees; not matters under the purview of the FDOH.

Among our findings:

- The former Utility District Executive Director inadequately supervised the City Utility District. He failed to implement adequate internal controls to ensure accurate and complete reporting of water testing results. The Director also misled the public, his supervisors, and the FDOH by stating without regulatory or technical basis that a water sample that tested "present" for contamination was a "false present."
- The former City Utility District Assistant Executive Director failed to adequately supervise the City Utility District. He did not take steps to ensure that City Utility District staff adhered to water monitoring and reporting requirements.
- The former City Utility District Compliance Manager repeatedly and intentionally failed to report water testing results to the FDOH and provided false, altered, or misleading information to the FDOH regarding City wells, resulting in wells being improperly placed in service in the water distribution system.
- The City Utility District Water Treatment Plant Superintendent failed to provide adequate supervision and failed to ensure that accurate testing results were reported to the FDOH. He failed to timely report fecal contamination results to the FDOH on two occasions, both of which should have initiated a public boil water notice.

False Information on County COVID-19 Assistance Applications – Lake Worth



From October of 2020 through October of 2021, two applicants seeking food and rental assistance for a residence in Lake Worth engaged in a deliberate scheme to defraud Palm Beach County. On at least seven occasions both applicants submitted applications with falsified supporting documents to the County, when in fact they were not paying rent nor living at the stated rental address. Instead, both applicants had been evicted from the rental property prior to the period listed in the assistance applications.

In total, the applicants inappropriately received **$10,367.50** in rental and/or food assistance from the County.

False Information on County Rental Assistance Applications – Wellington

From October of 2020 through October of 2021, a Wellington resident seeking rental and food assistance engaged in a deliberate scheme to defraud Palm Beach County. On seven occasions this individual claimed that she needed assistance due to loss of employment from the Covid-19 pandemic, when in fact she was employed throughout the period listed in her assistance applications. The applicant forged loss of employment letters and pay stubs in support of her claims. When interviewed by the OIG, the applicant admitted that she forged application documents.

In total, the applicant received **$12,038.22** in fraudulent assistance.

False Information on County Rental Assistance Applications – West Palm Beach

From August of 2020 through December of 2022, a West Palm Beach resident seeking rental and food assistance engaged in a deliberate scheme to defraud Palm Beach County. On seven occasions this individual claimed that she needed assistance due to loss of employment from the Covid-19 pandemic, when in fact she was employed throughout.

The applicant forged loss of employment letters and pay stubs from multiple organizations, including pay stubs and a leave of absence form from the Palm Beach County School District. This applicant received **$18,011.23** in fraudulent food and rental assistance.

The applicant was the subject of a previous OIG report involving fraudulent timesheets relating to her employment.

City of Boynton Beach Director of Human Resources Inappropriate Use of Funds and Resources

The OIG initiated two extensive, related investigations of alleged misconduct by senior staff in the City of Boynton Beach.

The OIG received a complaint that the City's Human Resources Director inappropriately used City of Boynton Beach funds, facilities, time, and resources to benefit her campaign for Delray Beach City Commission; did not follow proper procedures to attend campaign-related events during work hours; and used City time and resources to solicit City vendors and employees to donate to her campaign.

We did not find evidence that the HR Director inappropriately used City facilities and resources for her Delray Beach City Commission campaign; however, we found that she did not complete a required application nor pay a deposit when reserving a City Community Room; did not follow City Flexible Work procedures; and solicited a City co-worker for a donation to her Delray Beach Commission campaign during the workday and on Boynton Beach City property.

We made recommendations to the City that they institute internal controls for facility use, and that they take steps to ensure appropriate supervisory approval for flex time.

City of Boynton Beach Senior Staff Misconduct

In a simultaneously released report, we investigated:

- Whether the City of Boynton Beach City Manager and Deputy City Manager told the City HR Director that she had "hired too many black women,"
- Whether the City of Boynton Beach City Manager and Deputy City Manager recommended/approved inappropriate post-employment payments.

We also examined:

- Whether the City Attorney and Deputy City Manager told the HR Director that she would be fired if she had communications with elected officials while on administrative leave.
- Whether the City Manager, Deputy City Manager, and City Attorney inappropriately disciplined the HR Director in comparison to other employees, and
- Whether the City Manager directed the HR Director to hire his nephew for a new position, used a City computer for schoolwork, and consumed alcoholic beverages while on duty.

Finally, we investigated whether the City Office of Investigations and Internal Accountability Director inappropriately altered her assistant's time and attendance records.

Though at times we found *some* evidence that supported some of these allegations, we did not find sufficient, competent evidence to suport the allegations under national OIG standards.

False Information on County Rental Assistance Applications – West Palm Beach

From August of 2021 through December of 2022, a West Palm Beach resident seeking rental and food assistance engaged in a deliberate scheme to defraud Palm Beach County. On six occasions this individual claimed that she needed assistance due to loss of employment from the Covid-19 pandemic. The applicant forged loss of employment letters, W-2s, and unemployment benefit statements in support of her claims.

The applicant was assisted throughout by West Palm Beach resident Prosper Joseph, who created the falsified documentation and submitted records to the County on the applicant's behalf. In total, the applicant received **$12,484.31** in fraudulent rental and food assistance. Mr.

*Mr. Joseph was also the subject of OIG Investigation 2023-0002, in which he created and submitted falsified documents in support of rental assistance applications.

Arrests as a Result of an OIG Investigation

An OIG investigation and referral to the West Palm Beach Police resulted in the May, 2025 arrest of Jamie Clark and Justin Laguerre for County rental assistance fraud exceeding $50,000. Ms. Clark was a property manager who stole tenant identities and falsified applications.

Mr. Laguerre created false supporting documents in furtherance of the scheme.

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 17 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 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 Information Systems Auditor, Certified Internal Auditor, Certified Fraud Examiner, and Certified Inspector General Auditor. Ms. Bojan serves as the Vice President for the Palm Beach County Chapter of the Institute of Internal Auditors.

AUDIT HIGHLIGHTS

During FY2025, we issued **two** reports with total Questioned Costs of **$2,109,927.82**, Identified Costs of **$18,514.96,** and Avoidable Costs of **$854.06**. Collectively, these two reports contain **23** 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 https://pbc.gov/oig/archreports.htm. A brief summary of the recommendations is also contained in Section D Appendix 2 of this report.

Audit of the Contract between the Town of Palm Beach and John C. Cassidy Air Conditioning & Plumbing, Inc. for Bid No. 2018-54 HVAC & Refrigeration Maintenance and Replacement

We conducted an audit of the Contract between the Town of Palm Beach (Town) and John C. Cassidy Air Conditioning & Plumbing, Inc. (Contractor) for Bid Number 2018-54, for the HVAC & Refrigeration Maintenance and Replacement Contract.

We found the Town paid the Contractor for HVAC and refrigeration repair and replacement services that lacked documentation required by the Contract. As a result, we could not verify that those payments were in compliance with the Contract's terms and conditions.

Our audit identified **$182,198.27** in questioned costs for paid invoices that lacked documentation required by the Contract and **$358.00** in identified cost for one (1) duplicate invoice paid by the Town.

Our report contained recommendations to assist the Town in strengthening internal controls and enhancing compliance with the Town's contractual requirements. The Town partially concurred with the finding and accepted recommendations 1, 2, and 4. For Recommendation 3, the Town stated it will be taking an alternative corrective action, which we deemed acceptable.

Audit of City of Pahokee Accounts Payable Expenditures and Cash Disbursements

In response to the City of Pahokee's request, we conducted an audit of the City's accounts payable expenditures and cash disbursement process. High turnover in City Manager and Finance positions caused significant delays in obtaining documentation throughout the audit.

We found wide-spread, systemic noncompliance with the City's written guidance and lack of documentation for City expenditures. The issues identified in this audit and in past financial statement audits and OIG reports show a pattern of mismanagement and lack of accountability that has continued for at least ten years.

Our audit identified **$1,927,729.55** in questioned costs due to noncompliance, insufficient documentation, and unnecessary expenses; **$18,156.96** in identified costs due to overpayments to contractors and travelers, sales tax paid to vendors, and personal travel expenses for a former City Manager; as well as avoidable costs of **$854.06** in sales tax paid to vendors.

Although the City implemented several corrective measures throughout the course of our audit, significant progress is still required to establish a sound financial accountability system. Given the frequent turnover of the City Manager and Finance Director positions and the City's limited personnel, we suggest that the City consider obtaining outside assistance to help update and implement the policies and processes outlined in our audit recommendations.

We found evidence that suggests fraud and abuse by a former City manager and some instances of waste due to mismanagement and a lack of sufficient oversight and accountability over taxpayer dollars. Therefore, we provided a copy of the report to the State Attorney's Office and to the Palm Beach County Commission on Ethics.

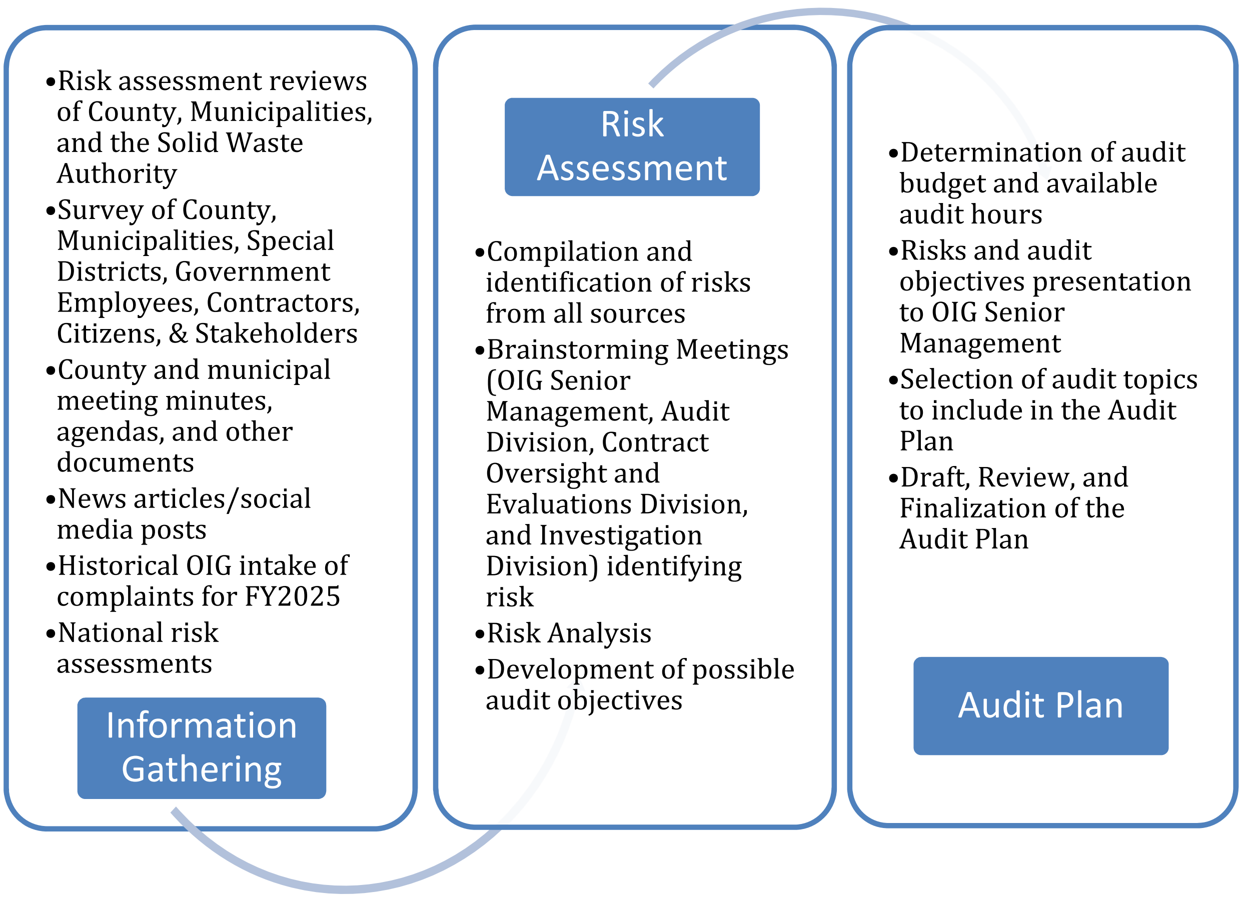
Our report contains recommendations to assist the City in strengthening internal controls, save taxpayer dollars, and improve compliance with the City's written requirements. The City concurred and accepted the recommendations.

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 987 audit recommendations made, 926 (94%) have been implemented or are pending implementation.

AUDIT RISK ASSESSMENT AND ANNUAL AUDIT PLAN

Our "audit universe" is comprised of County government, 39 municipalities, and a contracted special district. 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 FY2026 Annual Audit Plan (Section D of Appendix 5) 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, inspections, and reviews of operations to promote competition, transparency, accountability, integrity, and efficiency.

The Contract Oversight and Evaluations Division (COED) reviews procurements completed by County government, 39 municipalities, and a special district. This includes, on a selected basis, following a solicitation from when it is issued until it is awarded; reviewing the implementation of a contract before services are completed; and completing a contract administration review after the close out of a contract. Additionally, the COED can coduct evaluations, reviews, or inspections on a wide variety of operational issues and processes.

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

LEADERSHIP

Tony Montero became the Director of Contract Oversight and Evaluations in February 2021. He started his career with the OIG in February 2017 as a Contract Oversight Specialist. Mr. Montero has 36 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 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, is a Certified Inspector General Inspector/Evaluator and Certified Inspector General Investigator.

CONTRACT OVERSIGHT AND EVALUATIONS HIGHLIGHTS

During FY 2025, the COED issued **one** formal report for a municipal contract review, answered **five** complaints, and issued **one** *Tips and Trends*. The municipal contract review report contained **two** recommendations which were both accepted and implemented by the municipality. The report can be found at http://www.pbcgov.com/oig/archreports.htm. Additionally, COED completed **three** parts plus costs contract inspection reviews.

Town of Jupiter – Electrical Services Piggyback Contract Review

COED conducted a review of the Town of Jupiter (Town) piggyback contract with Davco Electric Contractors Corporation for electrical repair services as needed.

We found that the piggyback procurement process violated the Town's Purchasing Policy, and the Town did not comply with the provisions of the original piggybacked contract.

As a result of our review, we identified **$98,386.43** in questioned costs. We made two recommendations: (1) train staff on the Town's piggyback policy, and (2) train staff on the importance of being familiar with the terms and conditions of piggybacked contracts and establish a contract management process to ensure that terms are followed.

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 FY 2025, we proactively observed 39 procurement/contracting related activities. These activities included selection committee meetings, contract review committee meetings, pre-construction meetings, construction site visits, inspections, reviews, and meetings with municipal officials.

Contract Oversight and Evaluations

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

• County Selection Committees	2
• County Contract Review Committees	12
• County Meetings	4
• Municipal Selection Committees	5
• Municipal Meetings	15
• Other Covered Entities – Selection Committees	0
• Other Covered Entities – Meetings	1
TOTAL	**39**

The COED staff's outreach to the number of people in attendance at these meetings is as follows:

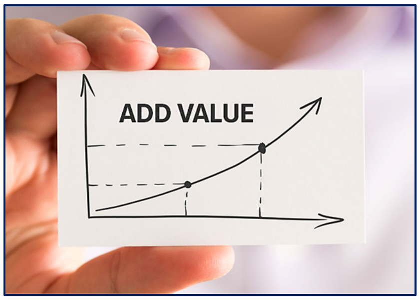
• County Selection Committees	21
• County Contract Review Committees	126
• County Meetings	77
• Municipal Selection Committees	49
• Municipal Meetings	239
• Other Covered Entities – Selection Committees	6
• Other Covered Entities – Meetings	0
TOTAL	**518**

In the course of these meetings, COED staff is routinely asked to provide guidance to County and municipal staff in an effort 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 developing evaluation criteria.

Occasionally, 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 made as soon as possible in 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, best practices, and references to resource materials provided by organizations such as the National Institute of Governmental Purchasing.

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 enhance 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:

OIG Outreach and Training – The OIG conducted training presentations for the staff of two local entities and hosted a booth at a vendor expo sponsored by a third local entity.

Assistance to other OIG's – The OIG was contacted by a State of Florida OIG that requested our assistance in creating a new Inspections and Evaluations Unit. We shared our policies and procedure references and other resources.

We were also contacted by an OIG located outside of Florida that wanted to expand its contract oversight capabilities. A representative from the OIG came to Palm Beach for three days to shadow our IG Evaluators to learn our best practices.

Best Practices – The Purchasing Director for a local entity was speaking at a national purchasing event and wanted to discuss best purchasing practices the OIG may have developed or encountered to pass on to the national group. We provided copies of past training presentations for procurement, ethics, fraud, and best practices. We also provided links to our report library, *Tips and Trends*, and other on-line resources.

The Engineering Director for another local entity contacted the OIG about the procurement thresholds for construction contracts. We discussed the various statutory thresholds. For best practices, we referred them to the Palm Beach County policies for purchasing construction.

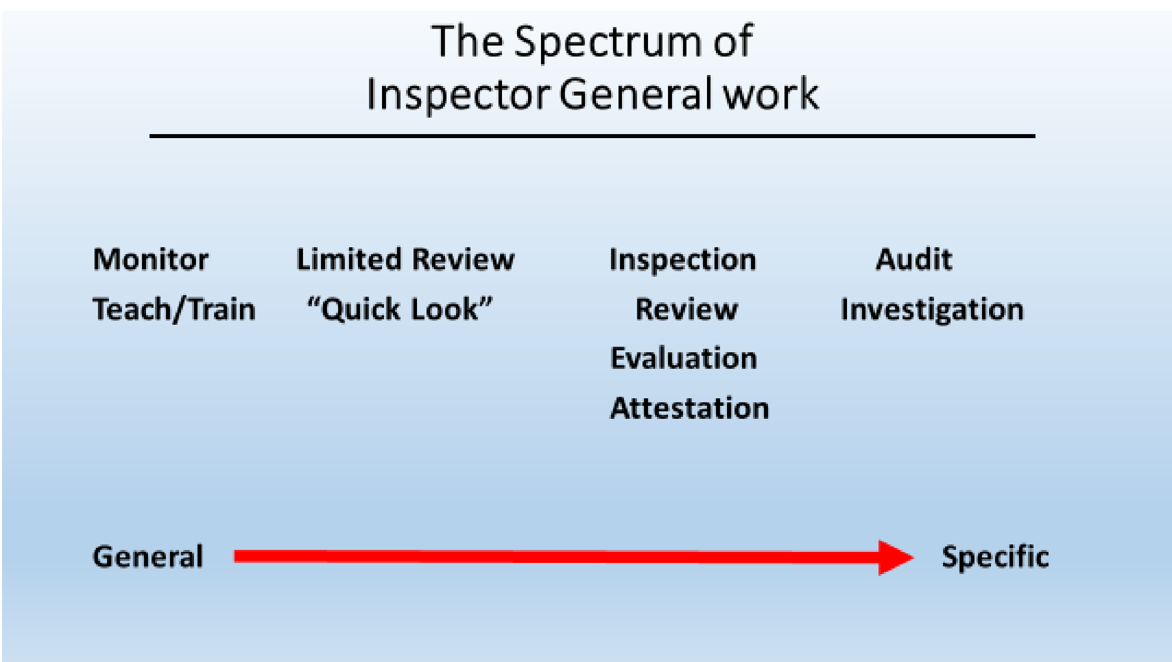
CCNA - A municipality contacted the OIG to ask if a particular procurement action was subject to the Consultants' Competitive Negotiation Act (CCNA) under section 287.055, Florida Statutes. We reviewed the scope of work to be performed, the CCNA dollar thresholds specified in the Florida Statutes, and its local policies and procedures to assist the municipality in making its decision.

Donated Funds - A citizen approached a municipality to donate funds to be used to modify vendor equipment in use on a construction project. The OIG and the municipality discussed its procedures for accepting grants and other funds, and other factors to assist the municipality in making its decision.

Advanced Payments – A public entity contacted the OIG concerning advanced payments. A vendor working on a project for the entity requested a change in payment method due to cost increases on the project. We discussed the concept of advanced payments, and the very limited use in public projects because advanced payments are not secured by the receipt of goods or services. If the vendor does not or cannot perform, or goes bankrupt before completion, then the taxpayer funds may be lost. Prohibitions exist against using advanced payments with state and local funds. We recommended seeking the advice of its legal counsel to determine if any local policies on advanced payments exist, bonding for the project, and other steps to protect the entity's financial position if its governing body approves the advanced payments.

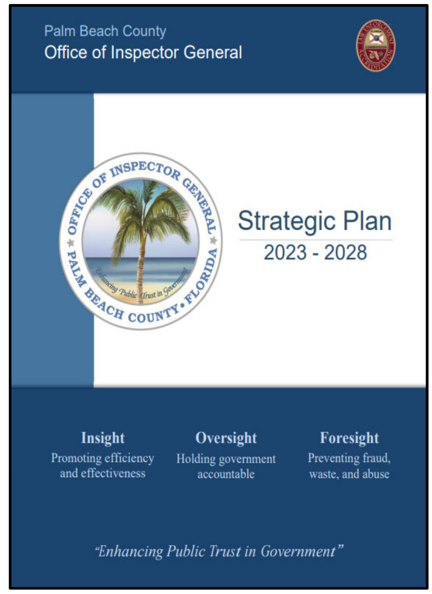
Separation of Duties – Staff at a local governmental entity contacted the OIG to discuss the legal and policy requirements, as well as best practices relating to segregation of duties for the procurement and financial management functions within the entity. We noted that this entity has many policies, and the separation of duties may be mandated in one of those. We referred the entity's staff to a knowledgeable expert within the organization that could assist with identifying and evaluating relevant policies and procedures.

Contract Clauses – During a routine contract oversight activity, we noticed that a required statutory clause was missing from the final contract. The IG Evaluator contacted the entity and directed the city's contracts personnel to OIG *Tips and Trends* 2020-0002: Florida Statutes, which discusses three (3) mandatory clauses that must appear in all public contracts. The municipality contacted its Counsel for further action.



OUTLOOK AND THE WAY AHEAD

Our OIG Strategic Plan sets out the following goals:



- Deliver results that promote integrity, excellence, and accountability in government.
- Strengthen relationships and build trust with external stakeholders.
- Maximize organizational effectiveness.

In FY2026 we will:

- Continue to center audit and contract oversight and evaluations activities on risk/opportunity assessment models to ensure we are focusing on major risks.
- Continue partnering with Florida's Chief Inspector General in a state-wide campaign to enhance government cybersecurity through information technology audits and reviews.
- Continue to prioritize the investigations that maximize our resources and our ability to expose waste, fraud, and mismanagement.
- Continue to increase 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.
- Coordinate with the Palm Beach County staff and IG Committee to advertise for and interview candidates, and select the next Palm Beach County Inspector General.

Appendix 1 – FY2025 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 # 2025-0001 – Public-Private Partnerships (P3s) – March 27, 2025

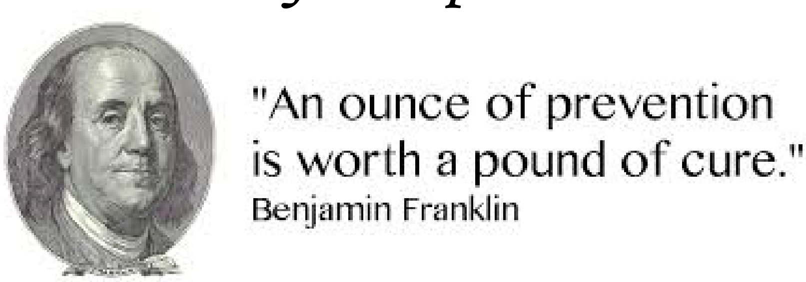
Effective July 1, 2024, Laws of Florida, Chapter 2024-96, amended section 255.065, Florida Statutes (F.S.), which facilitates increased private sector involvement in building, upgrading, operating, owning, or financing facilities for the benefit of the public. Section 255.065, F.S., provides that responsible public entities (RPEs) may receive unsolicited proposals or may solicit proposals from private entities for qualifying projects, and may thereafter enter into a comprehensive agreement, if certain requirements are met.

We recommended that RPEs should carefully review and assess its procurement ordinances, policies, and procedures, along with section 255.065, F.S. Additionally, local governments should train decision-makers, personnel, managers, and/or administrators on procurement methods for P3s prior to approving comprehensive agreements for qualifying projects.

OIG Tips and Trends #2025-0002 – Split Purchases

This *Tips and Trends* informed local and County government entities that employees may split purchases into smaller purchases to stay within purchase limits and evade procurement requirements. Entities may be able to reduce split purchases by enhancing purchasing guidance, establishing internal controls, recognizing red flag indicators, training employees, and monitoring purchase activities.

The value of our Tips and Trends -



Appendix 2 – FY2025 Recommendations

INVESTIGATIVE REPORTS COMPLETED
(October 1, 2024 – September 30, 2025)

Date
11/18/2024 **Riviera Beach Failure to Report Water Contamination**
Report Number
2024-0006 **Recommendations:**

1. The City Utility District implement internal processes and controls requiring dual acknowledgment of receipt and review of water sample results from laboratories prior to submission to the FDOH. This measure aims to minimize the risk of fraudulent reporting; improve timely and appropriate response and remediation; and enhance the transparency, integrity, and reliability of reporting.

   Implemented

2. The City Utility District institute regular training requirements for all City Utility District employees relating to the rules and regulations for the operation of the City Utility District.

   Implemented

3. The City Utility District institute a policy requiring the creation of a process for resolving complaints regarding the City Utility District, to include but not limited to, a) allegations of violations of City Utility District rules, b) lack of compliance with the Federal and State Safe Drinking Water Act or other rules and regulations applicable to the operation of the City Utility District and the City's public drinking water distribution system, and/or c) staff's failure to report accurate information to the City Utility District Management, the public, or any oversight authority.

   Implemented

4. The City take appropriate personnel action.

   Implemented

Date
3/4/2025 **False Information on COVID-19 Assistance Program Applications – Lake Worth**

Report Number
2022-0016 **Recommendations:**

1. The County seek reimbursement of $10,367.50 in issued funds.

   Implemented

Date
3/24/2025 **False Information on Palm Beach County Rental Assistance Program Applications – Wellington**

Report Number
2023-0005 **Recommendations:**

1. The County seek reimbursement of $12,038.22 in issued funds.

   Implemented

Date
6/10/2025 **False Information on Palm Beach County Emergency Assistance Program Applications – West Palm Beach**

Report Number
2022-0025 **Recommendations:**

1. The County seek reimbursement of $18,011.23 in issued funds.

   Implemented

Date
8/5/2025 **City of Boynton Beach Director of Human Resources Inappropriate Use of Funds and Resources**

Report Number
2024-0004 **Recommendations:**

1. The City ensure that staff is properly trained on all facility use policies and institute appropriate internal controls to ensure that requestors do not gain access to facilities unless all policy requirements are met.

   Implemented

2. The City train staff on flex time policy and ensure appropriate supervisory approval.

   Implemented

Date

9/23/2025 **False Information on Palm Beach County Emergency Rental Assistance Program Applications – West Palm Beach**

Report Number

2024-07 **Recommendations:**

1. The County seek reimbursement of $12,484.31 in issued funds.

   Implemented

AUDIT REPORTS COMPLETED
(October 1, 2024 – September 30, 2025)

Date

10/3/2024 **Contract between the Town of Palm Beach and John C. Cassidy Air Conditioning & Plumbing, Inc. for Bid No. 2018-54 HVAC & Refrigeration Maintenance and Replacement.**

Report Number

2025-A-0001 **Recommendations:**

1. The Town ensure that the Contract Coordinator for the remainder of this Contract, and for all time and materials contracts, is knowledgeable of the documentation required to be submitted by the Contractor when invoicing the Town for services, parts, materials, and equipment, and does not approve for payment any invoices that do not comply with the Contract requirements.

   Implemented

2. The Town implement a checklist of required documentation for the Contract Coordinator to use when reviewing invoices for payment for the remainder of this Contract, and for all time and materials contracts.

   Implemented

3. The Town ensure that future time and materials contracts require that invoices and written estimates be itemized by labor, parts, materials, equipment, and markup, and include sufficient detail to verify labor rates charged, hours worked, and the quantity and price of parts, materials, and equipment billed, if the contract specifies acceptable labor rates and costs. Additionally, the Town ensure future contracts require that work tickets include the title of the personnel that performed the work, if specific labor rates by skill level are specified by the contract.

   Implemented

4. The Town consider recouping the $358.00 paid to the Contractor for a duplicate invoice.

   Implemented

Date
4/15/2025 **City of Pahokee Accounts Payable Expenditures and Cash Disbursements**

Report Number
2025-A-0002 **Recommendations:**

1. The City follow its Purchasing Ordinance requirements related to purchase orders, purchases exceeding $10,000, and emergency purchases.

   Pending Implementation

2. The City follow its Purchasing Policy requirements related to approvals, invoice documentation, and receiving reports.

   Pending Implementation

3. The City follow its Credit Card Policy requirements related to receipts, City Commission oversight, and disciplinary procedures for misuse.

   Pending Implementation

4. The City update the Purchasing Policy, as follows:
   a. To establish the process for expediting purchases and/or vendor payments.
   b. To align with the Purchasing Ordinance related to emergency purchases.
   c. To align with the Charter's contract/agreement execution requirements.
   d. To align with Section 218.74(1), F.S. related to marking the date of receipt on payment requests and invoices.
   e. To establish the acceptable payment method(s) when purchasing capital assets and IT equipment.
   f. To align with the final implemented Capital Asset Policy related to capitalization thresholds and useful life.
   g. To establish the acceptable payment method(s) for making small purchases.

h. To establish specific criteria for processing purchases using vendor code 999999 or any other generic vendor code.

Pending Implementation

5. The City update the Credit Card Policy, as follows:
    a. To establish a review and oversight process for the City Commissioners' and City Manager's credit card purchases.
    b. To reflect the acceptable (e.g. check issued directly to vendor via accounts payable process) and unacceptable (e.g. credit card or reimbursement) payment method(s) when purchasing capital assets and IT equipment.

Pending Implementation

6. The City update the Travel Policy and related forms, where applicable, as follows:
    a. To align with Section 112.061(7)(d), F.S. related to the current mileage allowance rate.
    b. Replace the term "employee(s)" with "traveler(s)" to encompass all authorized individuals who may incur travel-related expenses for the benefit of the City.
    c. To require that the City Manager submit Travel Request forms for approval by the Mayor or a City Commissioner and update the Travel Policy to reflect the Mayor or a City Commissioner as the designated reviewer.
    d. To establish a review and oversight process for the City Commissioners' travel and related expenditures.
    e. To establish requirements for the use of rental vehicles including, but not limited to:
        i. Type of vehicle (economy, standard, etc.);
        ii. Rental agency;
        iii. Legal requirements (valid driver's license, insurance);
        iv. Insurance requirements; and
        v. Prohibited add-ons or other charges.
    f. To include a signature line for the Finance Director to document review of the Travel Request and Travel Log forms.

Pending Implementation

7. The City update the Personnel Rules & Regulations to align with its Travel Policy related to travel meal per diem rates.

Pending Implementation

8. The City perform a physical inventory of all vehicles and in addition to the unit number, department, description and VIN fields currently in the vehicle listing, include at a minimum:
    a. Acquisition Date;
    b. Purchase price or cost;
    c. Custodian of asset;
    d. Useful life;
    e. Depreciation Method;
    f. Accumulated Depreciation; and
    g. Condition.

    Pending Implementation

9. The City implement a written capital asset policy establishing requirements related to:
    a. Capitalization thresholds and useful life;
    b. Depreciation methods;
    c. Type of acquisition (purchase, donation);
    d. Asset valuation (initial costs, freight, etc.);
    e. Asset tagging procedures; and
    f. Custodian and inventory requirements.

    Pending Implementation

10. The City implement a written process for recording, tracking, safeguarding, and disposing of its IT equipment.

    Pending Implementation

11. The City implement a written process for collecting City property from the City Manager, City Clerk, and elected officials upon separation from the City.

    Pending Implementation

12. The City deactivate inactive vendors.

    Pending Implementation

13. The City implement a written process for updating and maintaining the vendor master file, including but not limited to:
    a. Establishing requirements for adding and editing vendor records, including vendor code 999999 or any other generic vendor code; and

b. Ensuring newly created vendor records are reviewed for relevance, accuracy and completeness by the Finance Director or an individual with no responsibilities in the accounts payable process; and that there is an established routine review and purging of the vendor master file to identify and resolve inactive, incomplete, and unauthorized or erroneous vendor records.

Pending Implementation

14. The City implement a written process for issuing payments to employees and officials that:
    a. Distinguishes between non-taxable items such as reimbursements and refunds and taxable items such as bonuses, awards, and tuition; and.
    b. Establishes specific criteria for processing payments using vendor code 999999 or any other generic vendor code.

Pending Implementation

15. The City ensure that all employees, contractors, and officials are aware of the requirements and their responsibilities, and confirm in writing an acknowledgment of that understanding with respect to the City Charter, the Purchasing Ordinance, and the updated and newly implemented City policies, including but not limited to the Purchasing Policy, Credit Card Policy, and Travel Policy.

Pending Implementation

16. The City ensure that current versions of the City's written guidance, including but not limited to the Purchasing Ordinance, Purchasing Policy, Credit Card Policy, and Travel Policy and related forms are accessible to all employees and officials in a centrally located depository, and that all employees and officials are made aware the location.

Pending Implementation

17. The City consider recouping identified costs, totaling $18,156.96, including:
    a. Overpayment of contracts to vendors, totaling $14,337.48;
    b. Payment of former City Manager, Chandler Williamson's, Benedict College homecoming weekend travel expenses, totaling $1,720.96; and
    c. Sales taxes paid to vendors, totaling $1,261.52.

d. Overpayment of travel expenditures (i.e. incorrect meal per diem, incorrect mileage, disallowed fuel reimbursement, and disallowed meal purchases on the City credit card) to travelers, totaling $837.00.

Pending Implementation

18. The City consider paying the travel underpayments totaling $1,120.00.

Pending Implementation

19. 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 include a reasonable time for completion;
    b. Authorize user access;
    c. Limit system access requiring unique user IDs and passwords; and
    d. Provide for user change management (new and terminated employees).

Pending Implementation

CONTRACT OVERSIGHT AND EVALUATIONS REPORTS COMPLETED (October 1, 2024 – September 30, 2025)

Date
9/30/2025 **Town of Jupiter Electrical Services Piggyback Contract review**

Report Number
CA-2024-0049 **Recommendations:**

1. The Town train staff on the requirements of the Town of Jupiter Purchasing Policy relating to piggybacking.
   Implemented

2. The Town train staff on the importance of being familiar with the terms and conditions of piggybacked contracts and establish a contract management process to ensure that terms are followed.
   Implemented

Appendix 3 – Prior Years' Significant Open Recommendations

The OIG has issued hundreds of recommendations since its creation in 2010, with 91.9% of these accepted, or pending implementation by management. This high acceptance/implementation rate reflects that OIG staff works with management to develop realistic and achievable recommendations that make good business sense for the improvement of 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. We will continue to work with management in monitoring these recommendations.

The following lists these significant recommendations pending implementation:

Date
7/1/2024 **Town of Loxahatchee Groves – Expenditure of Gas Tax Revenue Audit**
Report Number
2024-A-0004 **Recommendations:**

6. The Town implement a process that provides for sufficient, separate accountability for the use of gas tax revenues by source (6-cent or 5-cent).

   Pending Implementation

7. The Town establish and maintain a written review and oversight process for reviewing, recording, and reconciling gas tax revenues transferred and expended to ensure they are in compliance with Section 336.025, F.S.

   Pending Implementation

8. The Town separate the accounts payable and vendor master file duties of the Public Works Coordinator or implement alternative control activities to prevent and detect erroneous or unauthorized modifications to the vendor master file.

   Pending Implementation

9. The Town restrict access to the vendor master file to only personnel who need access to perform their duties.

   Pending Implementation

Appendix 4 – Prior Years' Significant Non-Implemented Closed Recommendations

While 91.9% of our recommendations are accepted, or pending implementation by management, on rare occasions management may initially accept our recommendations but not implement them. On even rarer occasions, management are non-responsive to our recommendations and our attempts to follow up on the implementation thereof. When management has not implemented our recommendation(s) within two (2) years and has not provided a specified date or timeframe within which to implement the recommendation(s) or mutually agreeable corrective action, the Inspector General determines whether the recommendation(s) should be closed out as "Not Implemented."

When recommendations are closed under this category, a letter is sent to the entity's appointed and elected officials of our decision to close the recommendation(s) and the cessation of the follow up process. In our notice the following verbiage is included, "By not implementing OIG recommendations, management must accept any associated risks."

The following are significant not-implemented closed recommendations:

Date
3/23/2023 City of Atlantis – IT Network Security Review
Report Number
2023-A-0004 12 Recommendations.

The City of Atlantis had not responded to 12 of our IT Network Security Review recommendations made in 2023 and had not provided an estimated date or timeframe for implementation in response to our continued follow up efforts. As a result, we closed the recommendations with a status of Not Implemented.

Additionally, Section 282.3185(4), Florida Statutes requires that the City have cybersecurity standards in place as of January 1, 2025 consistent with generally accepted best practices, including the National Institute of Standards and Technology Cybersecurity Framework, which we used as the basis for our review. Since we were not notified of the City's status in implementing the recommendations, we provided a copy to the Chief Inspector General for the Executive Office of the Governor on this notification.

Appendix 5 – FY2026 Audit Plan at a Glance

Audit	Objectives
	Carryover Audits
Management Request – Palm Beach County Workforce Housing Program – Wellington Club Apartments[3]	• Were Program requirements met and agreed upon deliverables received? • Are controls adequate related to administration of the Program?
Construction Contract – Contract between Palm Beach County and Kast Construction Company, LLC for Construction Manager at Risk Services for PBSO Headquarters Renovations Project No. 11206	• Are controls adequate to effectively manage the construction contract? • Are payment applications and change orders properly documented and approved to avoid possible fraud, waste, and abuse? • Are change orders managed effectively and in compliance with the contract?
Revenue/Cash Intake – Solid Waste Authority Tipping Fee Revenue[4]	• Are tipping fee revenues recorded accurately and appropriately in compliance with financial requirements? • Are cash receipts for tipping fees recorded accurately with timely deposits? • Are there adequate controls for the receipt of tipping fee revenue and related cash intake activities?
Intake Referral – City of Riviera Beach Purchasing Cards and Council Member's Out-of-State Travel Follow-up	• Are the corrective actions implemented following our Audit Report 2019-A-0003, City of Riviera Beach Purchasing Card and Council Members' Out-of-State Travel, effective in ensuring compliance with purchasing card policies and procedures and strengthening internal controls over purchasing card activities? • Are council members' out-of-state travel expenditures in compliance with policies and procedures?
Contracts/Agreements – Agreement between the Town of Palm Beach Shores and Waste Management Inc. of Florida for Solid Waste and Recycling Collection and Disposal Services	• Are franchise fees received by the Town accurate and remitted in compliance with the Agreement? • Are collection fees paid by the Town accurate and billed in compliance with the Agreement?
Law Enforcement Overtime – City of Delray Beach	• Is overtime accurately recorded, properly approved, and in compliance with relevant requirements, policies, and procedures?

[3] This audit was completed and a report was issued.

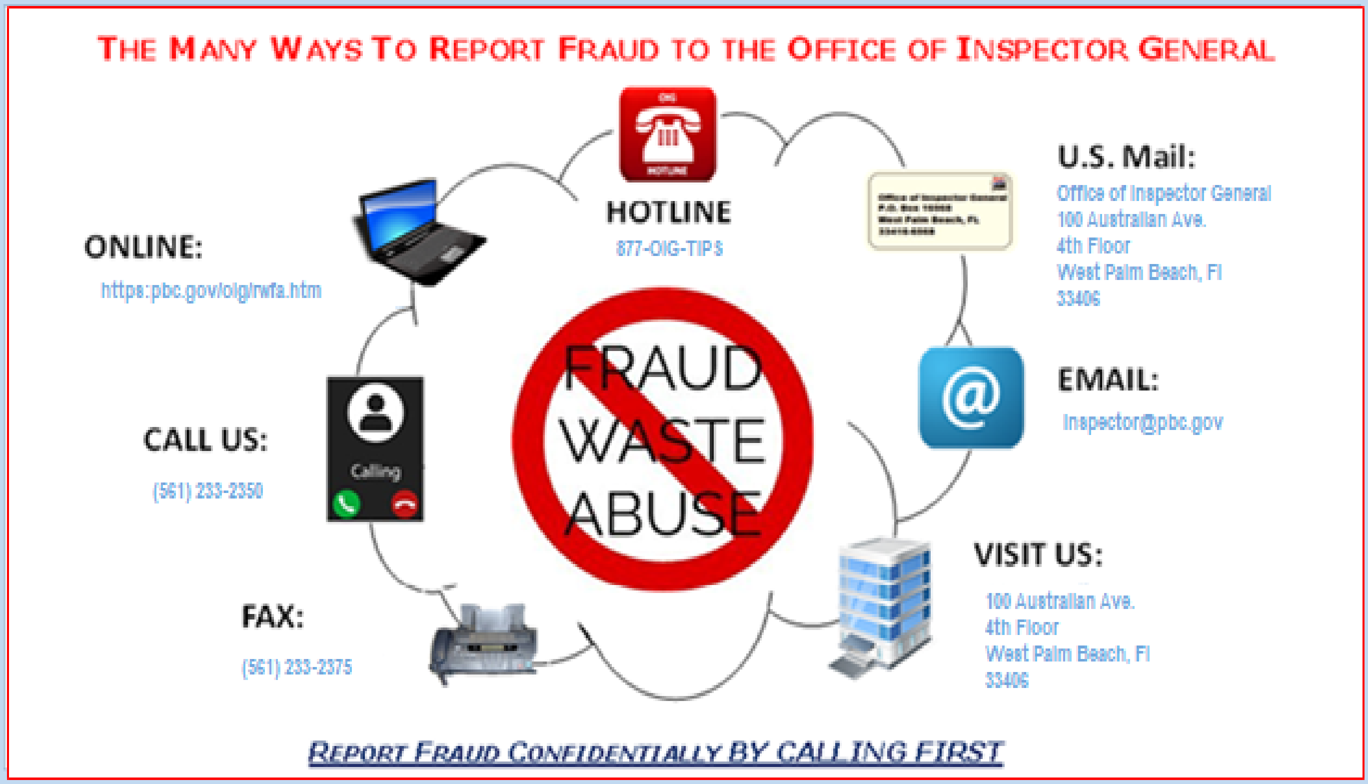
[4] This audit is completed and pending issuance of a draft report.

Audit	Objectives
Carryover Audits (continued)	
Joint Investigative Review – Palm Tran Cash Handling Process	• Are policies and procedures for cash safeguarding adequate? • Are cash receipts securely handled and protected from loss, theft, or misappropriation of funds? • How did controls break down enabling theft of funds to take place? • Did the Palm Tran employee recently arrested for theft or others steal, mishandle, or misappropriate funds on other occasions?
Purchasing Cards – Town of Ocean Ridge	• Are purchasing card expenditures sufficiently documented, in compliance with relevant guidance, and serve a valid public purpose?
Management Request – Town of Jupiter Inlet Colony – Insurance Benefits, Travel Expenses, and Purchasing Card Purchases	• Did the Town pay for insurance benefits in violation of the Town's Charter? • Did the Town pay for travel expenses that lacked a public purpose? • Did the Town pay for purchasing card expenditures that lacked a public purpose?
Permitting – Town of Lake Park	• Are building permit fees accurate and in compliance with relevant regulatory requirements, policies, and procedures?
IT Network Security Review – Town of Gulf Stream	• Are processes in place designed to prevent network security intrusions? • Are processes in place designed to monitor and detect network security threats, breaches, and intrusions? • Are processes in place designed to respond to and eliminate network security threats, breaches, and intrusions?

Audit	Possible Objectives
	Planned Audits
Multiple Entities – Contracts/Agreements	• 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/or invoices properly documented and approved to avoid possible fraud, waste, and abuse? • Are contracts effectively managed? • Were agreed upon deliverables received?
Multiple Entities – Water Quality Reporting	• Are coliform bacteria testing results reported to the FDOH in compliance with the public water system's written sample siting plan? • Are coliform bacteria testing results reported to the FDOH in compliance with state of Florida reporting requirements? • Are the testing results provided by the certified laboratory reported to the FDOH?
Multiple Entities – Grants	• Are controls in place and adequate to ensure that grant funds are used in compliance with grant terms and conditions, including controls to prevent and detect fraud, waste, and misuse? • Are grant expenditures in compliance with grant terms and conditions? • Are reporting requirements and deliverables completed in compliance with grant terms and conditions?
Multiple Entities – Permitting Fees and Cash Receipts	• Are controls adequate to ensure permits and related fees are processed timely and in compliance with relevant regulatory requirements, policies, and procedures? • Are permit fees assessed and collected in compliance with relevant regulatory requirements, policies, and procedures? • Are permit fees accurate and related cash receipts properly recorded and deposited? • Are permits processed in a timely manner and sufficiently documented? • Are permits processed timely and in compliance with regulatory requirements and/or policies?
Multiple Entities – Law Enforcement Overtime	• Are controls in place and adequate to ensure that overtime is properly recorded and approved, including controls to prevent and detect fraudulent, improper, or excessive overtime claims? • Is overtime accurately recorded and properly approved? • Is overtime in compliance with relevant regulatory requirements, policies, and procedures? • Is overtime properly budgeted, paid, and reimbursed according to applicable agreements?

Audit	Possible Objectives
Planned Audits (continued)	
Multiple Entities – Construction Contract Change Orders	• Are controls adequate to effectively manage construction contract change orders? • Are change orders processed and documented in compliance with the contract terms and relevant requirements? • Are change orders necessary and properly approved? • Are change order costs accurate and sufficiently supported? • Are change orders properly documented and approved to avoid possible fraud, waste, and abuse? • Are change orders consistent with the scope of the original contract and free from material modifications that alter the awarded project?
Multiple Entities – IT Network Security	• Are processes in place designed to prevent network security intrusions? • Are processes in place designed to monitor and detect network security threats, breaches, and intrusions? • Are processes in place designed to respond to and eliminate network security threats, breaches, and intrusions?

**IG/Management Request audits are not included. These audits will be added to the audit plan.*



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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.