



**OFFICE OF INSPECTOR GENERAL
PALM BEACH COUNTY**

Sheryl G. Steckler
Inspector General

April 26, 2013

Mr. Charles D. Cohen
Executive Director, Palm Tran
3201 Electronics Way
West Palm Beach, Florida 33407-4618

Re: **CMO-13-0007**

Dear Mr. Cohen,

On January 6, 2013, the Office of Inspector General ("OIG") received a citizen complaint regarding the Palm Beach County, Palm Tran contracts for bus stop bench and bus stop shelter construction, installation, maintenance and advertising services. As a part of our review of the complaint, OIG staff reviewed the contracts clauses and conditions with Palm Tran staff.

During this review, it was determined that although CBS Outdoor Group, Inc. (CBS) was remitting monthly revenue to the County for advertising on the bus shelters, and they were according to staff, providing the bi-weekly cleaning, they failed to deduct the allowable credit for the cleaning.

Palm Tran conducts a monthly "Infrastructure" meeting to review and discuss the bus benches and bus shelters contracts. Palm Tran staff and representatives from Creative Outdoor Advertising of America, Inc. and CBS participate to ensure the accuracy of documentation supplied by the two vendors and reconcile any inconsistencies that may exist. At no time during the monthly "Infrastructure" meetings did Palm Tran staff identify that CBS was not deducting their allowable credit from the monthly revenue remittance.

Palm Tran provided the OIG with procedures for the processing of revenue remittances. The procedures outline the detailed process for recording revenue into Palm Tran's financial system; however, they do not specifically address a procedure for: (1) determining the accuracy of remittances and (2) obtaining approval(s).

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The OIG recommends:

1. Palm Tran, in conjunction with CBS, reconcile and apply credits ensuring they are current.
2. Establish a documented procedure relating to the review and approval of revenue remittances.

Please provide Joe Doucette, Chief of Administration, any updated procedures based on our recommendations.

The Inspector General's Contract Oversight staff would like to extend our appreciation to the Palm Tran's management for the cooperation and courtesies extended to us during this review.

Sincerely,



Sheryl G. Steckler
Inspector General