



# ***SIX MONTH STATUS REPORT***

***April 1, 2022 – September 30, 2022***

**John A. Carey, Inspector General**



# ***OIG MISSION***

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

***MAKING GOOD GOVERNMENT BETTER***



# ANOTHER WAY TO LOOK AT OUR MISSION AND WHAT WE DO



Independent

## Oversight

Holding government  
accountable for resources and  
performance

Objective

## Insight

Helping good people do  
things better

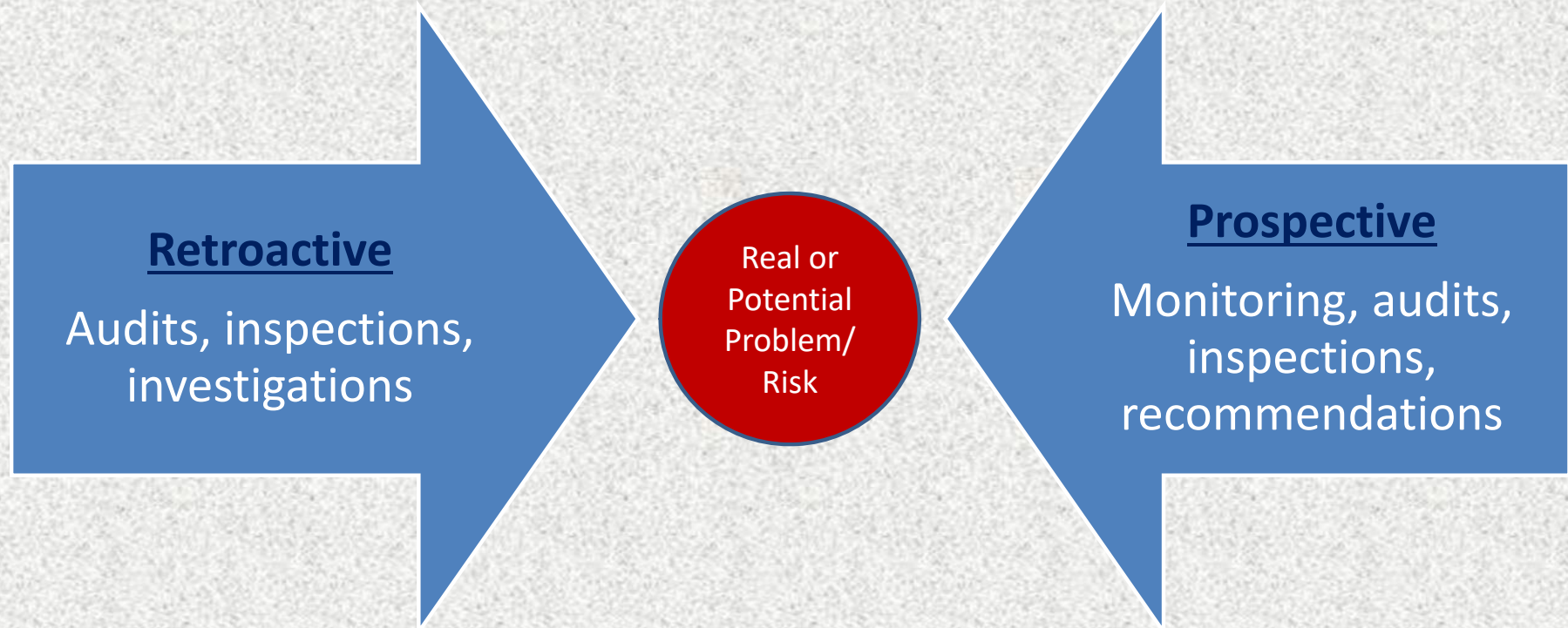
Promoting efficiency &  
effectiveness

## Foresight

Looking ahead

Preventing fraud, waste,  
and abuse

# ***YET ANOTHER WAY TO LOOK AT OIG WORK***



Why? To make our government better.



# THE SPECTRUM OF INSPECTOR GENERAL WORK



Monitor  
Teach/Train

Limited Review  
“Quick Look”

Inspection  
Review  
Evaluation  
Attestation

Audit  
Investigation

General



Specific

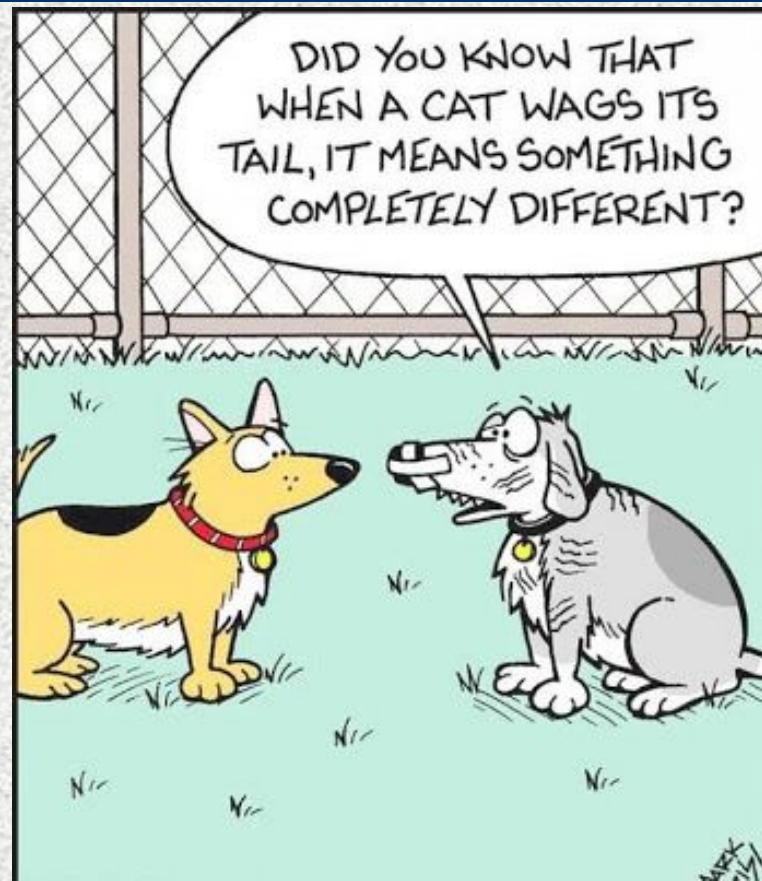
# ***OUTLINE***



- **REVIEW OF OIG \$ TERMINOLOGY**
- **PERSONNEL HIGHLIGHTS**
- **OIG ACTIVITIES** (Apr 1, 2022 – Sep 30, 2022)
- **BUDGET AND STAFFING**
- **PLANS, OBJECTIVES, & INITIATIVES**



# IMPORTANCE OF TERMINOLOGY



# QUESTIONED COSTS



Costs or financial obligations that are questioned because of:

- A violation of a provision of a law, regulation, contract, grant, policy or procedure, or document governing the expenditure of funds;
- A finding that such cost or financial obligation is not supported by adequate documentation; or
- A finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable.

*1978 IG Act*



# ***QUESTIONED COSTS (cont.)***



As such, not all questioned costs are indicative of potential fraud or waste.

These costs may represent improper/inadequate accounting for taxpayers' dollars.



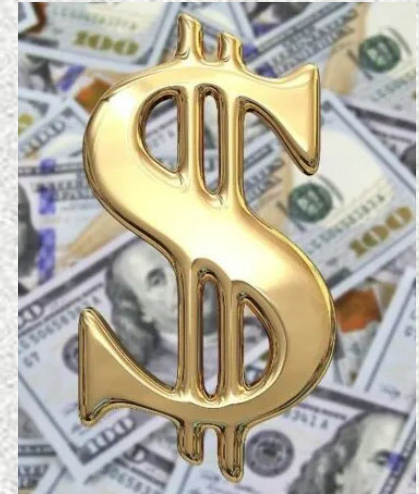
# POTENTIAL COSTS SAVINGS



Costs identified for return to offset the taxpayers' burden, or future savings.

Potential Costs Savings are:

- “Identified Costs” and/or
- “Avoidable Costs.”





# IDENTIFIED COSTS



Costs that have been identified as dollars that have the potential of being returned to the entity to offset the taxpayers' burden.



# ***AVOIDABLE COSTS***



Costs an entity will not have to incur, lost funds, and/or an anticipated increase in revenue following the issuance of an OIG report and implementation of the OIG recommendations.

**a LOOK  
INTO THE  
FUTURE**





# ***STAFF ACCOMPLISHMENTS***

## **Professional TRAINING & CERTIFICATION**

**Tony Montero**  
**Certified Inspector General**  
**Investigator**

**Lizette McGowan**  
**Certified Inspector General**  
**Investigator**

**Chelsea Martin**  
**Certified Inspector General**  
**Investigator**

**Hank Nagel**  
**Certified Inspector General Auditor**

**Nicole Spence-Banton**  
**Certified Inspector General Auditor**

# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**April 1, 2022 – September 30, 2022**

## **Office of Inspector General Activities Related to:**

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



# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



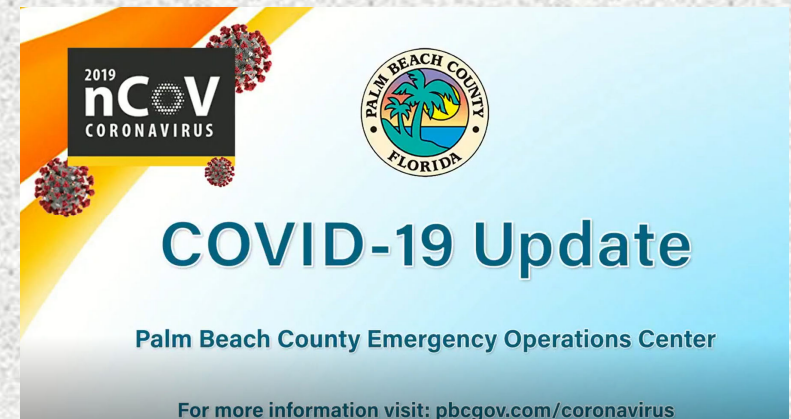
**April 1, 2022 – September 30, 2022**

## **COVID-19 Related OIG Activities**

# COVID-19 RELATED OIG ACTIVITIES



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





# TOTAL COVID-19 RELATED OIG ACTIVITIES (MAR 1, 2020 – SEP 30, 2022)



**\$114,858.22**

Recoveries as a Result  
of OIG Work

**2**  
Currently  
Open  
Reviews/  
Evaluations

**11**  
Completed  
Reviews/  
Evaluations

**9**  
Currently  
Open  
Preliminary  
Inquiries

**18**  
Reports  
Issued

**28**  
Currently  
Open  
Investigations

**14**  
Completed  
Investigations

**209**  
Intake  
Complaints /  
Correspondences

**279**  
Referrals to Law  
Enforcement

# ***INSPECTOR GENERAL'S SIX MONTH REPORT***

**April 1, 2022 – September 30, 2022**



## **Intake and Investigations Highlights**



# INSPECTOR GENERAL'S SIX MONTH REPORT



## Intake Activities

Current 6 Months		Previous 6 Months	
118	Complaints of wrongdoing	131	Complaints of wrongdoing
53	<b>Intake Activities led to:</b> <ul style="list-style-type: none"> <li>- 15 Investigations</li> <li>- 4 Referrals to OIG Contract Oversight and Evaluations Division</li> <li>- 22 Referrals to LEAs or COEs</li> <li>- 2 Management Inquiries</li> <li>- 10 Management Referrals</li> </ul>	25	<b>Intake Activities led to:</b> <ul style="list-style-type: none"> <li>- 4 Investigations</li> <li>- 4 Referrals to OIG Contract Oversight and Evaluations Division</li> <li>- 1 Referrals to OIG Audit</li> <li>- 7 Referrals to LEAs or COEs</li> <li>- 0 Management Inquiries</li> <li>- 9 Management Referrals</li> </ul>
10	Public Records Requests	12	Public Records Requests

# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**April 1, 2022 – September 30, 2022**

<b>Investigative Activities</b>	<b>Current 6 Months</b>	<b>Previous 6 Months</b>
<b>On-going Investigations or Investigative Reviews</b>	<b>31</b>	<b>18</b>
<b>Referrals to Law Enforcement or to County or State Commissions on Ethics</b>	<b>200</b>	<b>45</b>
<b>Issued Reports</b>	<b>6</b>	<b>6</b>
<b>Recommendations Made</b>	<b>6</b>	<b>10</b>
<b>Recommendations Accepted</b>	<b>6</b>	<b>10</b>
<b>Questioned Costs</b>	<b>\$1,011,527.29</b>	<b>\$1,860,194.89</b>
<b>Identified Costs</b>	<b>\$137,519.71</b>	<b>\$259,742.22</b>



# INSPECTOR GENERAL'S SIX MONTH REPORT



## Investigative Report 2021-0007: Eclipse Wellness Center – False Statements on CARES Act Grant Application

### ALLEGATIONS:

- A CARES Act Restart Business Grant applicant provided false information which disguised that they had already received \$25,000 in Restart Grant funding.

Eclipse Wellness Center



### FINDING: SUPPORTED

- The two owners of Eclipse Wellness knowingly altered their identifying information on a second Restart Grant application, thereby disguising that they had already received \$25,000 in Restart Grant funding.

Identified Costs

\$10,300

Recoupment

\$10,300

### RECOMMENDATION:

The County seek reimbursement of \$10,300.

**Referred to  
Law Enforcement**

# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **Investigative Report 2021-0004: Marie Belony – Inappropriate Expenditures and False Statement on CARES Act Grant Applications**

### **ALLEGATIONS:**

- A CARES Act Restart Business Grant applicant that received funding for three separate businesses spent the funding inappropriately, and did not disclose prior Payroll Protection Program (PPP) funding.

### **FINDINGS: SUPPORTED**

- For two of Ms. Belony's businesses, Restart Grant funding was spent inappropriately on ineligible items such as residential property tax bills.
- For the third business, a federal PPP forgivable loan was not disclosed as required, causing a overfunding.

### **RECOMMENDATION :**

**The County seek reimbursement of \$13,196.22.**



**Identified Costs**  
**\$13,196.22**  
**Recoupment**  
**\$13,196.22**



# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **Investigative Report 2020-0005: Patrick Glover– Inappropriate Use of CARES Act Restart Business Grant Funding**

### **ALLEGATION:**

- **A CARES Act Restart Business Grant applicant inappropriately spent its \$25,000 Restart Business Grant.**

### **FINDINGS: SUPPORTED**

- **Patrick Glover received \$25,000 for his pandemic-closed business, did not re-open the business, and could not show any business-related expenditures.**

### **RECOMMENDATION :**

**The County seek reimbursement of \$25,000.**



**Identified Costs  
\$25,000**

***Referred to  
Law Enforcement***

# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **Investigative Report 2021-0006: Biggy Productions—CARES Act Restart Grant False Statement and Inappropriate Expenditures**

### **ALLEGATIONS:**

- A CARES Act Restart Business Grant applicant did not disclose prior PPP funding.
- The Restart Grant funding was spent inappropriately.

### **FINDING: SUPPORTED**

- A federal PPP forgivable loan was not disclosed as required, causing an overfunding.

### **FINDING: NOT SUPPORTED**

- The business had enough alternate assets to justify its expenditures since receipt of the Restart Grant funding.

### **RECOMMENDATION :**

**The County seek reimbursement of \$10,000.**



**Identified Costs  
\$10,000**

**Recoupment  
w/Payment Plan  
\$10,000**

**Referred to  
Law Enforcement**



# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **Investigative Report 2021-0012: False Representations on CARES Act Boynton Beach Rental Assistance Applications**

### **ALLEGATION:**

- A County Rental Assistance Program applicant provided false information in over \$32,000 of applications, one of which was funded.

### **FINDING: SUPPORTED**

- The applicant's information for loss of employment was riddled with inconsistent and false information.
- The applicant's employment verifications, paystubs, and lease applications contained conflicting addresses, conflicting compensation information, and at times listed her employer in a non-existent city.

### **RECOMMENDATION :**

The County seek reimbursement of \$9,440.



**Identified  
Costs  
\$9,440**

**Referred to  
Law Enforcement**

# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **Investigative Report 2018-0007: Palm Beach County HVAC Services Contractor**

### **ALLEGATIONS:**

- **Commercial Cooling, an air conditioning repair services provider for the County, submitted invoices that falsely represented the source and price of materials purchased for the County.**
- **Commercial Cooling inflated materials invoices from a shell company that falsely stated was an “original manufacturer/supplier.”**

***“An investigation by the watchdog agency found that from July 2013 through March 2019, Commercial Cooling Concepts overcharged the county \$69,583.49 by inflating the cost of materials through the use of a ‘shell company,’ ”***

***Palm Beach Post , Sept 12, 2022***





# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **Investigative Report 2018-0007: Palm Beach County HVAC Services Contractor (cont.)**

### **FINDINGS: SUPPORTED**

**Commercial Cooling submitted invoices to the County from a supplier that:**

- **Did not actually supply or manufacture those materials.**
- **Was owned by the same principals as Commercial Cooling.**
- **Had no business activities or bank account, and was used solely to mark-up prices.**

**Identified Costs**

**\$69,583.49**

**Questioned  
Costs**

**\$1,011,527.49**

**On September 30, 2022, Commercial Cooling's County contract was terminated, and the company was suspended from bidding on or entering into any new County work for a period of two years.**

### **RECOMMENDATION :**

- **The County seek recoupment of \$69,583.49.**

***Referred to  
Law Enforcement***

# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**April 1, 2022 – September 30, 2022**

## **Contract Oversight and Evaluations Highlights**



# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**April 1, 2022 – September 30, 2022**

## **Contract Oversight and Evaluations**

**Current 6  
Months**

**Previous 6  
Months**

<b>On-going Formal Reviews/Evaluations</b>	<b>3</b>	<b>1</b>
<b>Issued Reports</b>	<b>1</b>	<b>1</b>
<b>Recommendations Made</b>	<b>1</b>	<b>0</b>
<b>Recommendations Accepted</b>	<b>1</b>	<b>0</b>
<b>Issued Tips and Trends</b>	<b>1</b>	<b>1</b>

# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**Report: CA-2021-0049: Palm Beach County Office Of Resilience (OOR)  
Property Assessed Clean Energy (PACE) Program Review**

## **FINDINGS:**

- **The OOR and the PACE Districts/Providers were in compliance with the County's Ordinance.**
- **There were a few instances of ineligible owners of residential properties receiving PACE funding.**
- **OOR does not have a formal written policy or procedures on how to implement the Ordinance.**



## **RECOMMENDATION:**

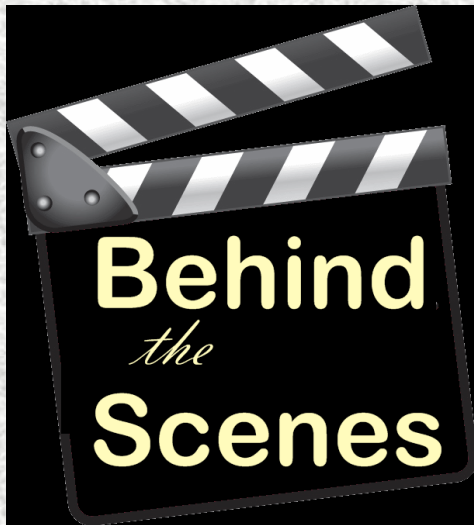
- **Implement policies and procedures to strengthen internal controls for reporting and documenting compliance with the requirements of the Ordinance.**



# INSPECTOR GENERAL'S SIX MONTH REPORT

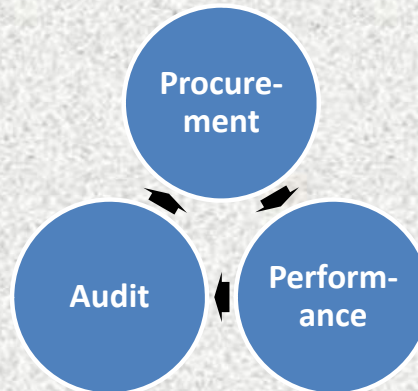


Contract Oversight Activities: Much of our impact happens “behind the scenes.”



Complaint  
Inquiries

Monitor, Review, Advise



Team Assist

**“**  
*It's the work you do behind the scenes, **when no one is watching** that determines your level of performance.*

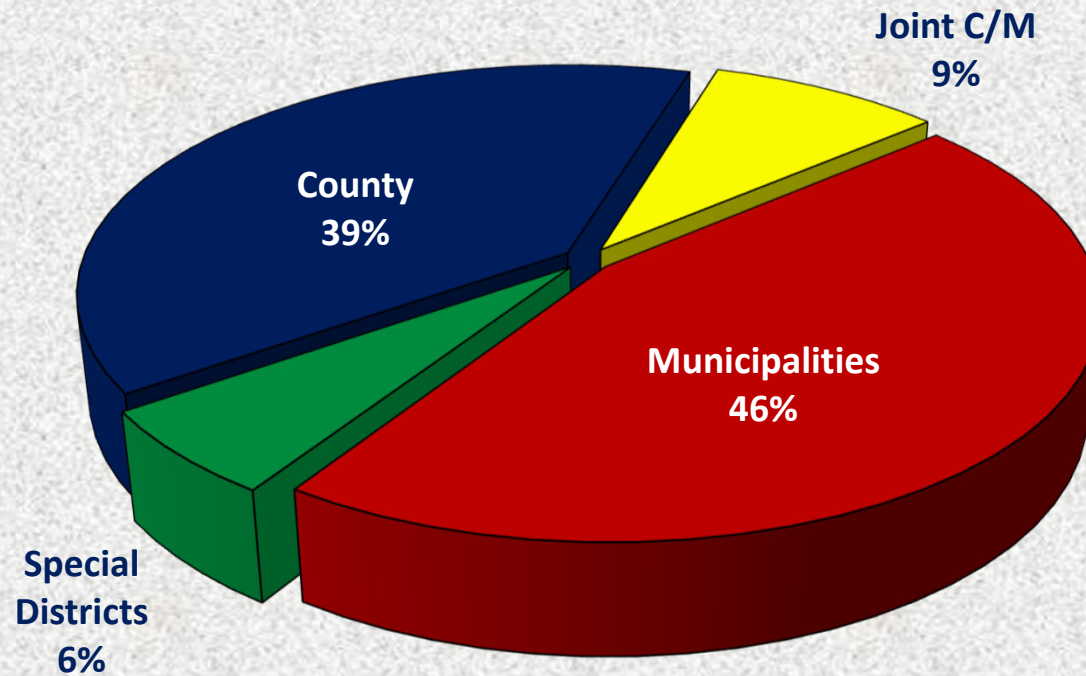
**JOE DUNCAN**  
FOUNDER & CEO OF BEFORE 5AM

# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**April 1, 2022 – September 30, 2022**

## **Contract Oversight and Evaluations Monitored Activities**





# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**April 1, 2022 – September 30, 2022**

## **Contract Oversight and Evaluations**

### **Complaint Inquiries and Reviews Resulting in No Formal Report**

# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**OIG Intake Referral (No Report): PBC Facilities Development & Operations (FDO)  
Inappropriate Procurement Actions**

## **PBC BOARD OF COMMISSIONERS REJECT PBC PURCHASING DIRECTOR AND SPECIAL MASTER RECOMMENDATIONS ON MULTIMILLION DOLLAR RENOVATION PROJECT**

### **ALLEGATIONS:**

- Staff exceeded authority by cancelling and rebidding a construction RFP for Fire Rescue Capital Improvements
- A public official interfered in the award process
- Meetings were held in violation of the Cone of Silence
- Lack of public transparency in the evaluation of proposals

**FINDING: NOT SUPPORTED**





# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **OIG Intake Referral (No Report): PBC Palm Tran – Improper Contract Transactions**

**ALLEGATION:** Palm Tran's purchasing practices under a professional services consultant contract were unethical, invalid, and a misuse of public funds.

Complaint questioned the need for outside contractors, the relationship with the contract vendors, federally mandated independent cost estimates, and administration of the purchase orders.



**FINDING: NOT SUPPORTED**



# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **OIG Intake Referral (COE Referral - No Report): Riviera Beach City Council Planning and Zoning Resolution**

**ALLEGATION:** City Council exceeded its authority by passing a resolution to approve a contractor's site plan at the Port of Palm Beach in exchange for a funds donation, and to be excused from the landscaping requirement in the land development code.

**REVIEW:** Landscaping at the Port was not desirable. The City, Port, and contractor agreed prior to the site plan application to accept an equivalent cash donation for landscaping elsewhere in the City. There was Council precedent for this resolution.

**FINDING: NOT SUPPORTED**

**We suggested that the City update its code to recognize such exceptions and memorialize a method to allow for granting exemptions.**





# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**Inspection: CA-2022-0015: City of Boca Raton – Landscape Material Installation Review**

## **INSPECTION OBJECTIVES:**

- **Verify the materials installed under the City's landscaping contract.**
- **Match materials with contract, installation, and invoice.**

## **INSPECTION:**

- **Inspected 11 sites and 363 plants and trees.**
- **Verified quantity, type, and size.**



## **RESULTS:**

**The quantities, specifications, and unit prices ordered matched the installed landscaping, and was verified with the invoices.**

# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**April 1, 2022 – September 30, 2022**

## **Two Open COVID-19 Reviews/Evaluations**

### **➤ American Rescue Plan Act (ARPA)**

- Tracking budgets and expenditures of \$519.7M in federal funding for County and Municipalities**



### **➤ ARPA & Coronavirus Aid, Relief, and Economic Security (CARES) Act**

- Conducting a countywide survey and review of premium pay supplements issued to employees during the COVID-19 pandemic**



# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**April 1, 2022 – September 30, 2022**

## **Audit Highlights**

# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**April 1, 2022 – September 30, 2022**

<b>Audit Activities</b>	<b>Current 6 Months</b>	<b>Previous 6 Months</b>
On-going Audits	11	12
Issued Reports	1	3
Recommendations Made	9	16
Recommendations Accepted	9	16
Questioned Costs and Potential Cost Savings	\$89,925	\$363,016
Issued Tips and Trends	1	0



# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **Audit Report 2022-A-0004 – Palm Beach County Fire Rescue – Payroll Audit**

### **FINDINGS:**

- A Fire Rescue employee was incorrectly paid with County funds while working for the Union.
- Accrued leave payouts were not always calculated correctly.
- Overtime transactions were not always properly approved.
- Leave Requests were not always properly approved.
- User access was not always removed promptly.

**Questioned Costs**  
**\$74,061.48**  
**Identified Costs**  
**\$15,862.81**



### **RECOMMENDATIONS:**

- Enable email notification to notify Payroll Section of employee schedule changes.
- Implement a review and oversight process to ensure leave payouts are calculated correctly.
- Comply with Overtime Policy and preapprove overtime that results in an employee working more than 48 hours continuously.

# INSPECTOR GENERAL'S SIX MONTH REPORT



## Tips and Trends 2022-0003 – Local Government Cybersecurity Act

### NEW LOCAL FLORIDA LAW:

- Effective July 1, 2022, counties and municipalities are required to:
  - Provide cybersecurity training to employees;
  - Adopt cybersecurity standards to safeguard data, Information Technology (IT), and IT resources to ensure availability, confidentiality, and integrity;
  - Notify certain state and local agencies of a cybersecurity or ransomware incident; and
  - Cease making ransom payments or otherwise complying with a ransom demand.



IMPORTANT  
ANNOUNCEMENT

### SUGGESTIONS:

- County and municipalities review the requirements outlined in the Local Government Cybersecurity Act and the corresponding update to public records exemptions.
- Establish or update policies and procedures accordingly.



# ***INSPECTOR GENERAL'S SIX MONTH REPORT***

**April 1, 2022 – September 30, 2022**



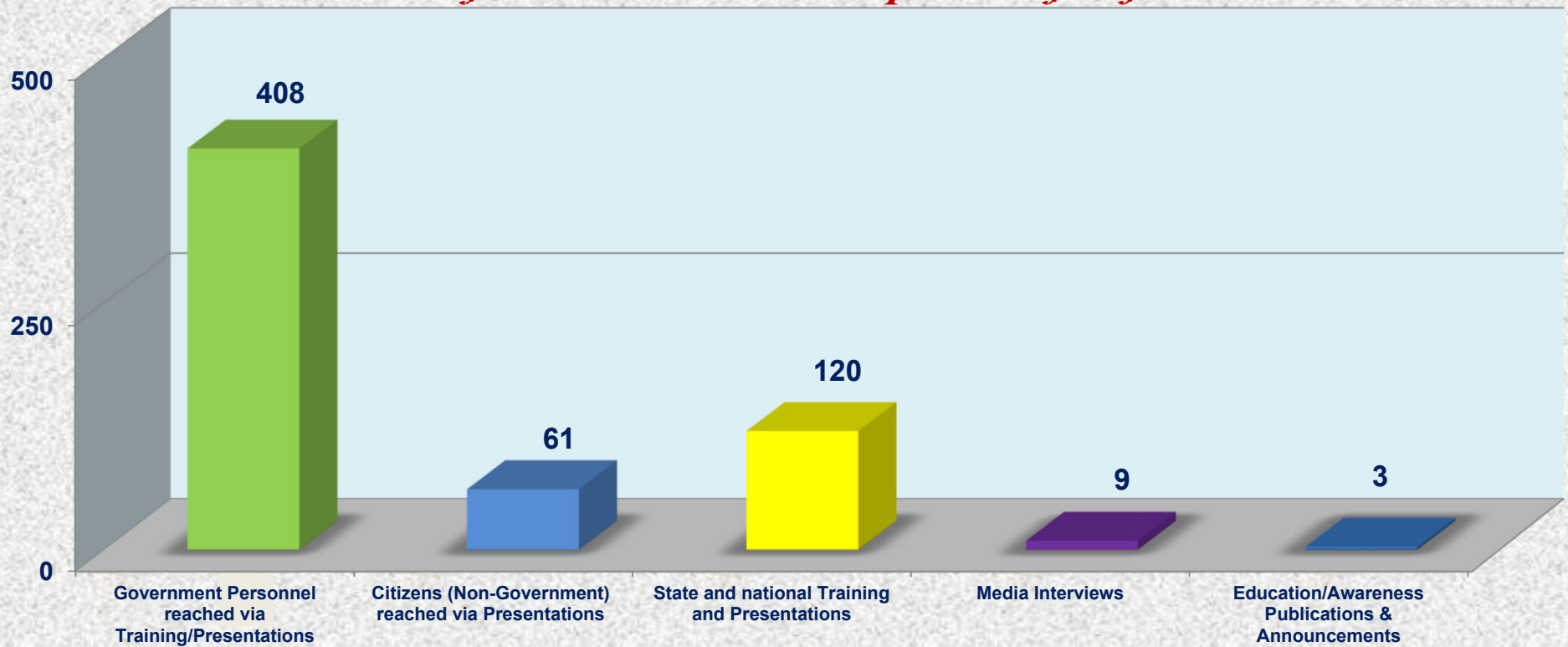
## **Training and Outreach**

# TRAINING AND OUTREACH



April 1, 2022 – September 30, 2022

*An ounce of outreach is worth a pound of enforcement.*





# TRAINING AND OUTREACH



## Education/Awareness Publications, Announcements, and Activities



John A. Carey  
Inspector General

### OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY

TIPS AND TRENDS #2022-0003

JULY 2022



Inspector General  
Accredited

### LOCAL GOVERNMENT CYBERSECURITY ACT

#### *Are you ready for the Local Government Cybersecurity Act?*

On June 24, 2022, the Governor signed Florida House Bill 7055, "Cybersecurity," into law (Chapter 2022-220, Laws of Florida). Effective July 1, 2022, the bill:

- Created section 282.3185, Florida Statutes (F.S.), known as the "Local Government Cybersecurity Act," and section 282.3186, F.S.
- Updated the definition of "incident" and added a definition of "ransomware" in section 282.0041, F.S., to include counties and municipalities;



# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **Shift from Six Months Activities to FY2022 Highlights**

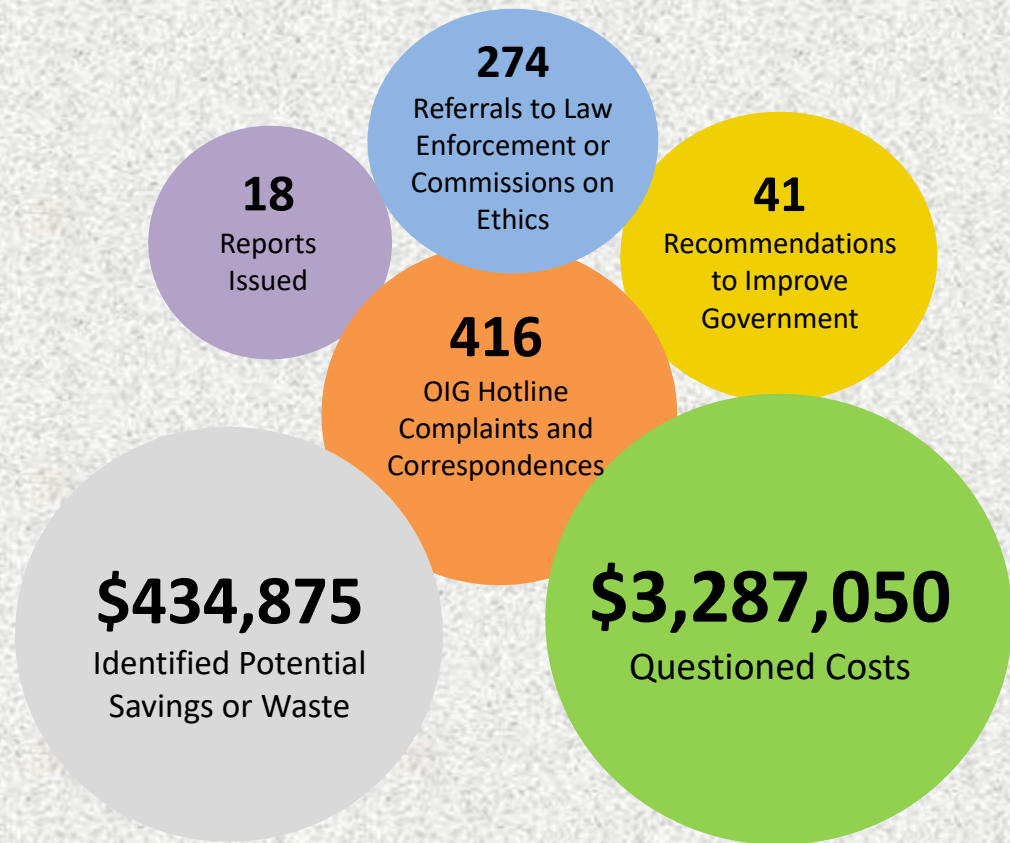


# INSPECTOR GENERAL'S SIX MONTH REPORT



FY 2022 By the Numbers

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



# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



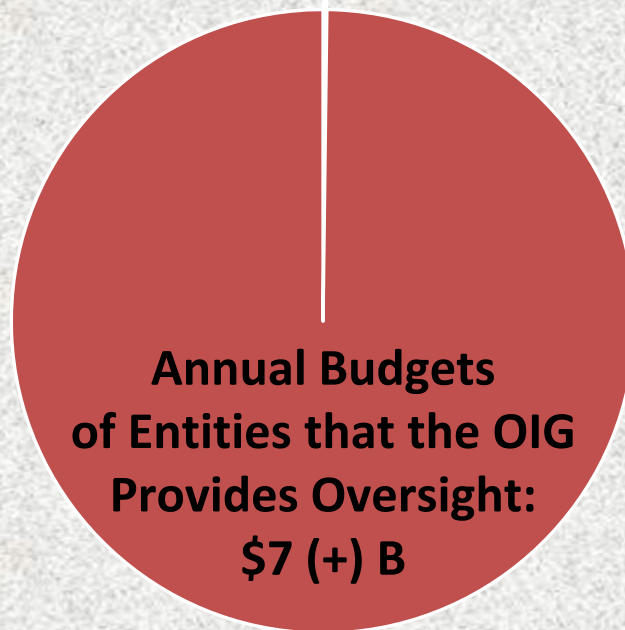
## **Budget and Staffing**



# ***INSPECTOR GENERAL BUDGET & STAFFING***



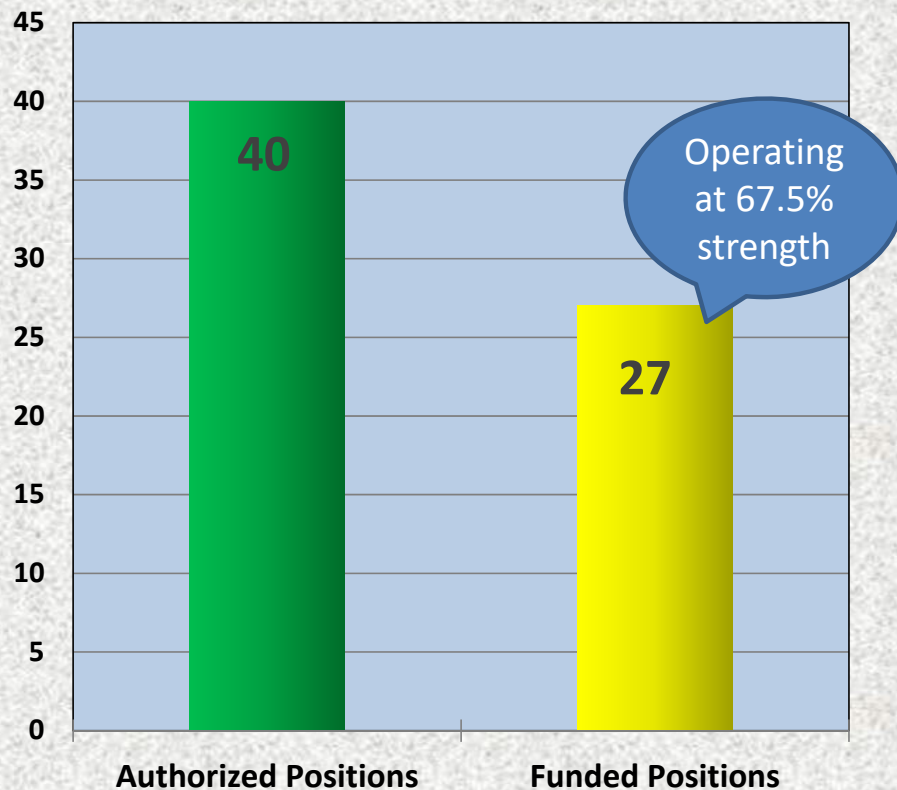
OIG Annual Budget \$3.5 (+) M  
= 0.04%



**\$3.5M = Approx. \$2.30 per Citizen or =**



# INSPECTOR GENERAL BUDGET & STAFFING



*“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.”*

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



# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **Plans, Objectives, and Initiatives**

# ***PLANS, OBJECTIVES, AND INITIATIVES***



## **Fiscal Year 2023 Audit Plan**

### **Carryover Audits:**

- **Accounts Payable/Cash Disbursements – City of Boca Raton**
- **Construction Contracts – Village of Tequesta New Community Center**
- **Contracts/Agreements – PBC and The Urban League of Palm Beach County Community Based Agency Contract**
- **Management Request – City of Pahokee Accounts Payable Expenditures/Cash Disbursements**
- **Management Request – City of West Palm Beach Fire Assessment Fee**
- **Complaint – Town of Loxahatchee Groves Gas Tax Revenue Expenditures**



# ***PLANS, OBJECTIVES, AND INITIATIVES***



## **Fiscal Year 2023 Audit Plan (cont.)**

### **Carryover Audits (continued):**

- **Contracts/Agreements – Rental Car Lease and Concession Agreement between Palm Beach County and Enterprise Leasing Company of Florida, LLC**
- **IT Network Security – City of Atlantis**
- **IT Network Security – Town of Highland Beach**
- **IT Application Security – Village of Wellington**

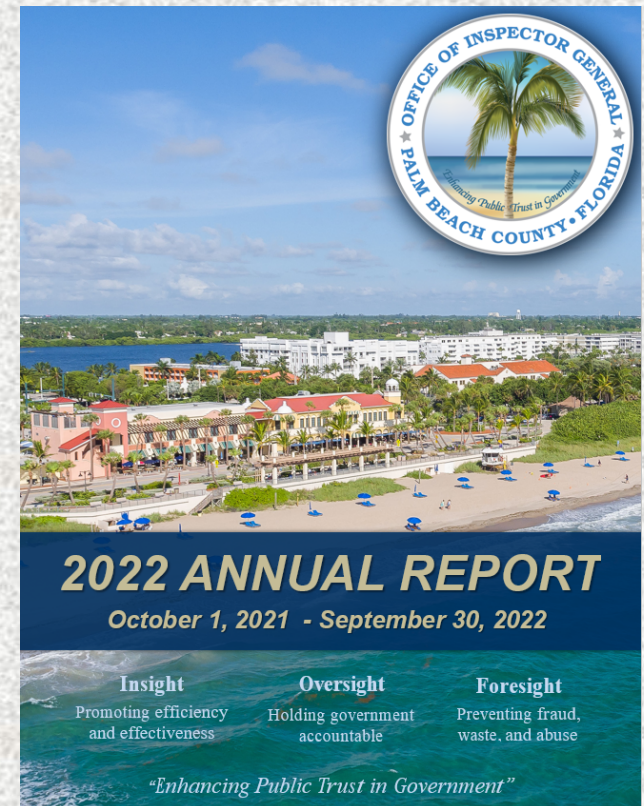
### **Planned Audit Activities:**

- |   |                                  |
|---|----------------------------------|
| ➤ <b>Contracts/Agreements</b>                             | ➤ <b>Construction Contracts</b>  |
| ➤ <b>Accounts Payable Expenditures/Cash Disbursements</b> | ➤ <b>Overtime</b>                |
|   | ➤ <b>IT Network Security</b>     |
|   | ➤ <b>IT Application Security</b> |

# PLANS, OBJECTIVES, AND INITIATIVES



- Publish FY 2022 Annual Report
- Execute Audit Plan
- Increase Outreach
- Review/Revise OIG Strategic Plan







***THANK YOU!***

***visit us online at [www.pbcgov.com/OIG](http://www.pbcgov.com/OIG)***