



# ***SIX MONTH STATUS REPORT***

***October 1, 2020 – March 31, 2021***

**John A. Carey, Inspector General**



# ***OUTLINE***

- **PERSONNEL HIGHLIGHTS**
- **OIG ACTIVITIES**  
(Oct 1, 2020 – Mar 31, 2021)
- **BUDGET AND STAFFING**
- **PLANS, OBJECTIVES, & INITIATIVES**
- **SUMMARY OF MAJOR ACCOMPLISHMENTS**





# OIG MISSION

To provide *independent* and *objective* oversight in government to:

*Prevent, detect and investigate fraud, waste and abuse.*



*Promote economy, efficiency, effectiveness, and integrity.*



# ***PERSONNEL HIGHLIGHTS***



- **Anthony Bennett** – Deputy Inspector General, Atlanta, GA
- **Kalinthia Dillard** – Chair, Professional Ethics Committee, FL Bar; featured in PBC Bar News
- **John Carey** – Chair, Professional Certification Board, AIG

# ***PERSONNEL HIGHLIGHTS/ Certifications Acquired***



- **Certified Fraud Examiner**
  - Cynthia Suriel
  - Djemson Lormistois
  - Jennifer Tims
  - Shaun Robinson
- **Certified Government Auditing Professional**
  - Shonnelle Braithwaite



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



**October 1, 2020 – March 31, 2021**

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

- **COVID-19 Related Activities**
- **Intake and Investigations**
- **Contract Oversight and Evaluations**
- **Audit**
- **Training and Outreach**

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



**October 1, 2020 – March 31, 2021**

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



# ***BACKGROUND***



- **The County has received over \$400 million in federal and state COVID-19 relief funding.**
- **The County is expending these funds in a broad spectrum of relief programs.**
- **Our goal is to provide independent oversight in disbursing these funds.**



# ***COVID-19 RELATED OIG ACTIVITIES***



- **26 Complaints or Correspondences (Intake) to date**
- **16 Current Preliminary Inquiries**
- **11 Current Open Investigations**
- **7 Referrals to Other Organizations**
- **9 Reviews/Evaluations**

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



**October 1, 2020 – March 31, 2021**

## **Intake and Investigations Highlights**



# INSPECTOR GENERAL'S SIX MONTH REPORT



## Intake Activities

Current 6 Months		Previous 6 Months	
88	Complaints of wrongdoing	111	Complaints of wrongdoing
30	<b>Intake Activities led to:</b> <ul style="list-style-type: none"> <li>- 10 Investigations</li> <li>- 4 Referrals to OIG Contract Oversight and Evaluations Division</li> <li>- 3 Referrals to LEAs or COEs</li> <li>- 1 Management Inquiry</li> <li>- 12 Management Referrals</li> </ul>	34	<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>- 9 Referrals to LEAs or COEs</li> <li>- 1 Management Inquiry</li> <li>- 16 Management Referrals</li> </ul>
12	Public Records Requests	13	Public Records Requests

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



**October 1, 2020 – March 31, 2021**

## **Investigative Activities**

	<b>Current 6 Months</b>	<b>Previous 6 Months</b>
<b>On-going Investigations or Investigative Reviews</b>	<b>15</b>	<b>12</b>
<b>Referrals to Law Enforcement or to County or State Commissions on Ethics</b>	<b>3</b>	<b>3</b>
<b>Issued Reports</b>	<b>2</b>	<b>3</b>
<b>Recommendations Made/Accepted</b>	<b>4/4</b>	<b>12/12</b>
<b>Issued Tips and Trends</b>	<b>0</b>	<b>2</b>



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



## **Investigative Report 2020-0004: CARES Act Grant Recipient Lutina's Pizza**

### **ALLEGATION:**

- A West Palm Beach restaurant did not accurately identify business owners on CARES Act Restart Business Grant application.



### **FINDING: SUPPORTED**

- The application submitted on behalf of Lutina's Pizza and Subs GDB Corporation did not accurately reflect the business owners and their percentage of ownership, in violation of program requirements.
- We made one recommendation that can assist DHES in strengthening Restart Grant application controls.



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



## **Investigative Report 2019-0005: City of Delray Beach Grants Program**

### **ALLEGATIONS:**

- **Delray Beach Neighborhood Community Services Director Michael Coleman and Assistant Director Jamael Stewart:**
  - **Improperly disbursed grant funds.**
  - **Failed to avoid conflicts.**
  
- **Mr. Coleman used a City credit card for a non-City purchase.**





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



## **Investigative Report 2019-0005: City of Delray Beach Grants Program**

### **FINDINGS: SUPPORTED**

- **Mr. Coleman and Mr. Stewart**
  - **Disbursed grants to organizations that did not submit applications or submitted applications that were not properly reviewed.**
  - **Failed to avoid conflicts of interests.**
- **Mr. Stewart fabricated an application.**
- **Mr. Coleman used a City credit card for a non-City purchase.**

**Questioned  
Costs  
\$91,400**

**Identified Costs  
\$140.00**

### **FINDING: NOT SUPPORTED**

- **Mr. Stewart did not solicit contributions under false pretenses.**

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



## **2021-10-0007: Limited Scope Reviews of Business that Accepted CARES Act Grants**

### **FINDING:**

- Reviewed 10 business grant recipients: verified business application and registration status, conducted onsite reviews, and examined records for eligible COVID related expenses.



### **OBSERVATIONS:**

- No recommendations were made.
- The evidence was relevant, valid, and sufficient to have reasonable assurance that the select businesses reviewed were eligible for and complied with the requirements of the Grant Program.



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



## **Maintaining Credibility**



***“A means of  
maintaining the  
highest  
standards of  
professionalism.”***

**Assessment Conducted on  
November 10, 2020**

**Met required standards for  
reaccreditation**

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



**October 1, 2020 – March 31, 2021**

## **Contract Oversight and Evaluations Highlights**



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

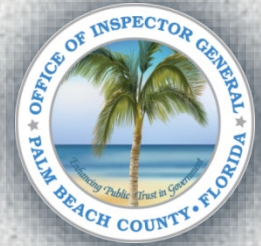


**October 1, 2020 – March 31, 2021**

## **Contract Oversight and Evaluations**

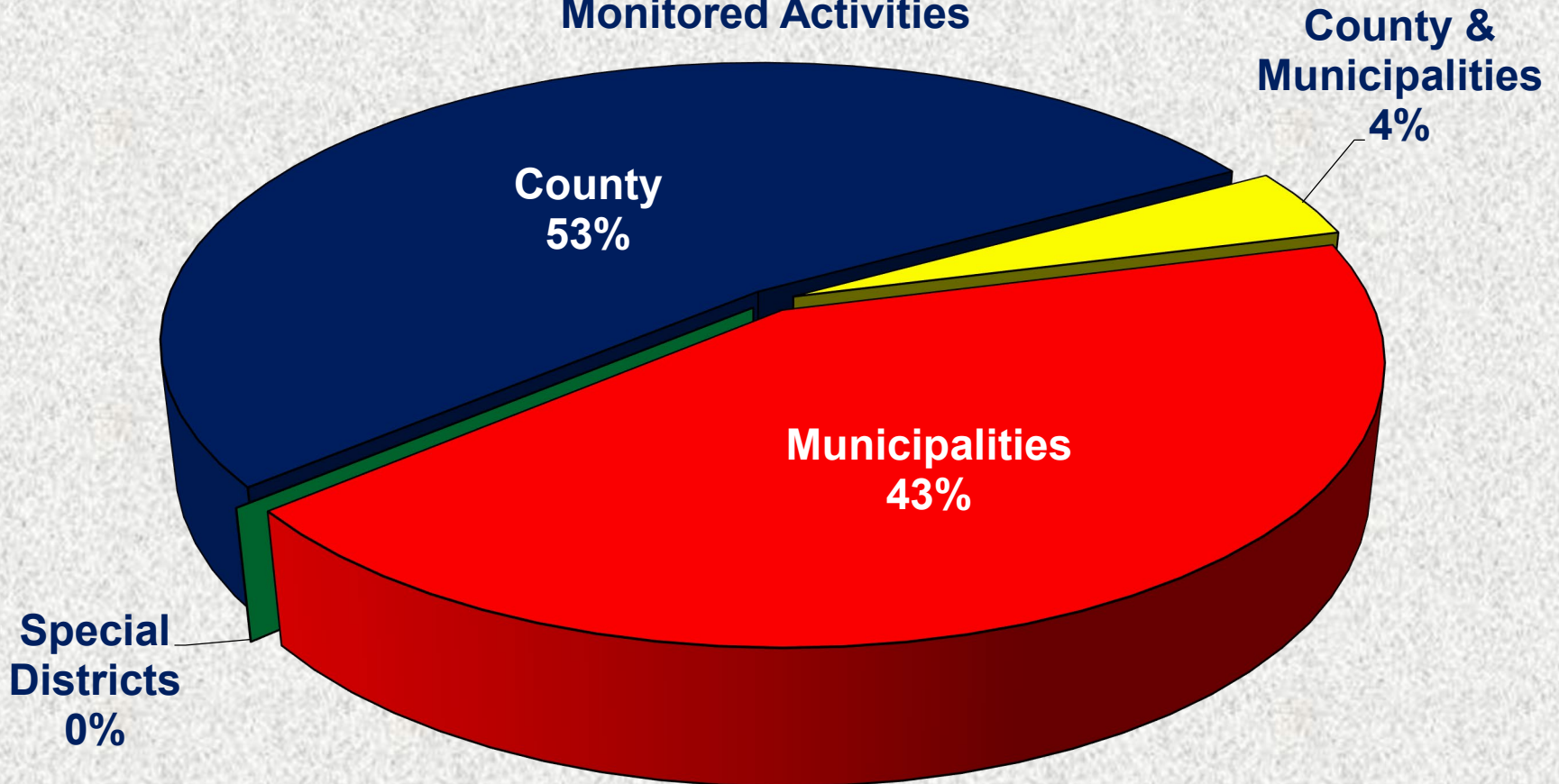
	<b>Current 6 Months</b>	<b>Previous 6 Months</b>
<b>On-going Formal Reviews/Evaluations</b>	<b>1</b>	<b>2</b>
<b>Issued Reports</b>	<b>3</b>	<b>3</b>
<b>Recommendations Made/Accepted</b>	<b>1</b>	<b>0</b>
<b>Recommendations Accepted</b>	<b>1</b>	<b>0</b>
<b>Issued Tips and Trends</b>	<b>1</b>	<b>3</b>

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



**October 1, 2020 – March 31, 2021**

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





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



## **Contract Oversight Report CA-2020-0065 PBC Department of Housing and Economic Sustainability (DHES) Restart Business Grant Program Application Review**

### **OBJECTIVE:**

- Determine if DHES operated in accordance with County program policies and procedures.

### **FINDING:**

- Reviewed 199 business grant applications; three were overpaid due to calculation errors.



### **RECOMMENDATION:**

**Consider recouping the grant award amounts overpaid to businesses.**

**Identified Costs  
\$6,135.83**

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



## **CA-2021-0017: Limited Scope Reviews of Business that Accepted CARES Act Grants, 2<sup>nd</sup> Round**

### **FINDINGS:**

- Reviewed 32 business grant recipients: verified business application and registration status, conducted onsite reviews, and examined records for eligible COVID related expenses.
- 27 business grant recipients complied with the grant requirements.
- Five were referred to the Investigations Division for further review.



### **OBSERVATIONS:**

- No recommendations were made.
- Some businesses may not have disclosed SBA Payroll Protection Program loan information as required by the Restart Business Grant application.



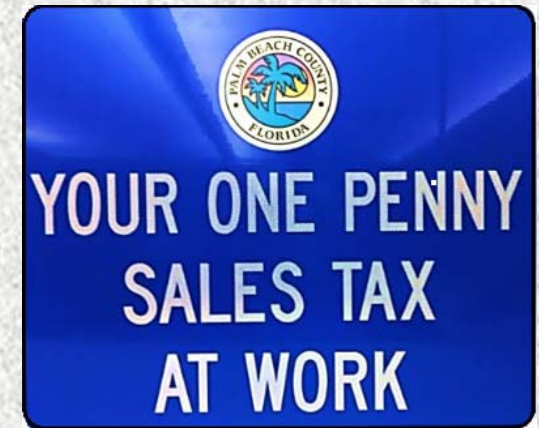
# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **OIG Insights Update: One-Penny Sales Surtax Annual Update - 2020**

### **OVERVIEW:**

- Published a 2020 Annual Update guide on the One-Penny Sales Surtax program, detailing the combined County and Municipalities:
  - \$499.0M in Surtax revenue received between 1/1/2017-9/30/2020;
  - \$220.1M in Surtax funds expended between 1/1/2017-9/30/2020; and,
  - \$161.6M in Surtax budgets for FY 2021.



### **OBSERVATION:**

- Overall, 44.1% of the surtax revenue received by the County and Municipalities was expended between FY 2017 – FY 2020. This represents a potential direct economic impact of \$220.1M to south Florida.



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

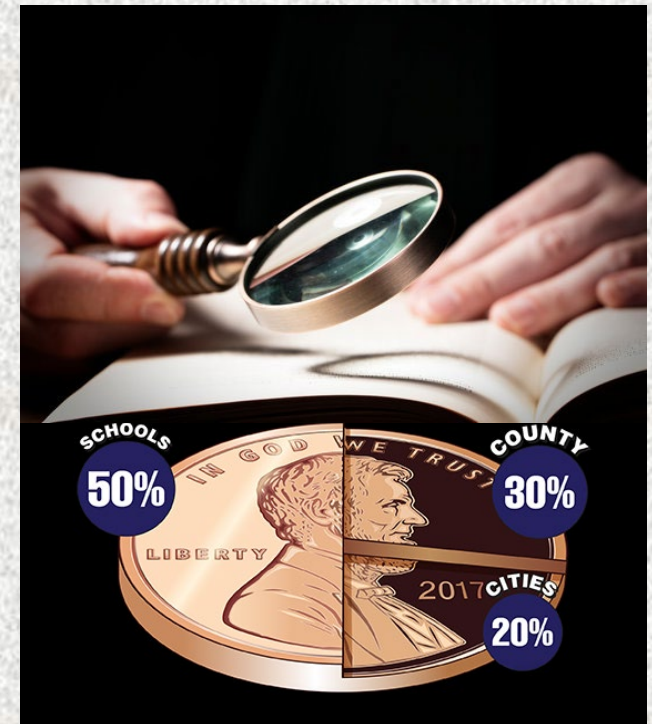


## **OIG Insights Update: One-Penny Sales Surtax Annual Update - 2020**

### **OVERSIGHT:**

**OIG is guarding taxpayer surtax dollars by:**

- **Monitoring surtax infrastructure project bids, awards, and contract performance;**
- **Tracking surtax budgets, revenues, and expenditures;**
- **Reviewing applicable agendas, ordinances, laws, and regulations;**
- **Observing Surtax Oversight Committee meetings; and**
- **Reporting the results of our contract oversight activities to the public.**





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



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



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



**October 1, 2020 – March 31, 2021**

## **Audit Highlights**



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



**October 1, 2020 – March 31, 2021**

## **Audit Activities**

**Current 6  
Months**

**Previous 6  
Months**

<b>On-going Audits</b>	<b>12</b>	<b>13</b>
<b>Issued Reports</b>	<b>3</b>	<b>2</b>
<b>Recommendations Made</b>	<b>39</b>	<b>35</b>
<b>Recommendations Accepted</b>	<b>39</b>	<b>35</b>
<b>Questioned Costs and Potential Cost Savings</b>	<b>\$219,972</b>	<b>\$1,394,219</b>
<b>Issued Tips and Trends</b>	<b>0</b>	<b>1</b>

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



## **Audit Report 2021-A-0001 – City of Belle Glade – Travel**

### **FINDINGS:**

- Meal expenses for unauthorized travelers.
- Travelers did not reimburse or reimbursed the City with delay for unauthorized travel expenses.
- Travel costs did not comply with written guidance, were unnecessary, or lacked sufficient documentation.
- Lack of sufficient controls for the travel process.
- Lack of written guidance for computer system user access termination.

**Questioned  
Costs  
\$8,416.35**

**Identified Costs  
\$675.17**

**Avoidable Costs  
\$4,572**



### **Corrective Action Taken:**

- Adopted Travel and Training Policy and Procedures.
- Implemented independent review and reconciliation of Commissioners' travel expenditures.
- Updated written guidance.



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



## **Audit Report 2021-A-0002 – Interlocal Agreement for Law Enforcement Services between Palm Beach County and the City of Boynton Beach**

### **FINDING:**

- **Lack of adequate review and oversight to detect when required supporting documentation was missing from the reimbursement requests.**



### **Recommendation:**

- **The City implement a review and oversight process to ensure that all supporting documentation is included with the invoice submitted to the County for reimbursement, as required by the Agreement.**



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



## **Audit Report 2021-A-0003 – Town of South Palm Beach – Revenue**

### **FINDINGS:**

- Did not properly notify customers of annual sewer rate increase.
- Over-billed customers for FY 2017 and 2018 sewer fees totaling \$170,071.94.
- Lacked sufficient controls, review, and documentation for revenue, cash receipt, and financial reporting activities.

**Questioned  
Costs**

**\$204,512.18**

**Identified  
Costs**

**\$1,796.23**

### **Recommendations:**

- The Town notify customers of annual sewer rate increases, as required by Florida Statutes.
- The Town refund or credit customers amounts over-collected for FY 2017 and 2018 sewer fees.
- The Town implement additional controls and guidance.





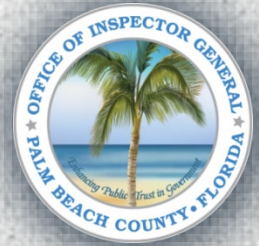
# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**April 1, 2021 – current**

## **Recent Significant Reports Published After the Reporting Period**

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



## **Investigative Report 2020-0007: Delray Beach Reclaimed Water Reporting**

### **ALLEGATION:**

- City staff and/or elected officials concealed and/or misrepresented their knowledge of issues with the drinking water when documenting and reporting the City's adherence to required protocols for the City's Water Program to FDOH.



### **FINDING: ALLEGATION SUPPORTED**

- Certain City staff were aware of at least one report of sickness possibly caused by the drinking water at the time the City falsely reported to FDOH that no reports of sickness or illness had been received.



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



## **Investigative Report 2020-0007: Delray Beach Reclaimed Water Reporting**

### **FINDINGS (CONT.):**

- **We were unable to determine whether the reported illness was actually caused by the City's drinking water.**
- **Upon discovery of a cross-connection, Delray Beach notified FDOH and took steps to remedy the situation by turning off and flushing the water system and issuing a boil water order for the affected area.**

### **Recommendations:**

- **We made three recommendations that can assist Delray Beach in improving notification, awareness, documentation and training for their reclaimed water process.**

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



## **Investigative Report 2020-0006: Palm Beach County Fire Rescue Use of County-Owned Properties**

### **ALLEGATION:**

- **Palm Beach County Fire Rescue Battalion Chief Brian Mulligan held training classes for Fire Rescue employees for a fee on County property, in violation of the Fire Rescue Policy.**



### **FINDING: SUPPORTED**

- **Referred our investigation to the State of Florida and Palm Beach County Commissions on Ethics to determine possible misuse of public employment or conflict between his public duties and his private interests.**
- **We made two recommendations that can assist Fire Rescue in avoiding conflicts related to employees' outside employment.**



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

**October 1, 2020 – March 31, 2021**



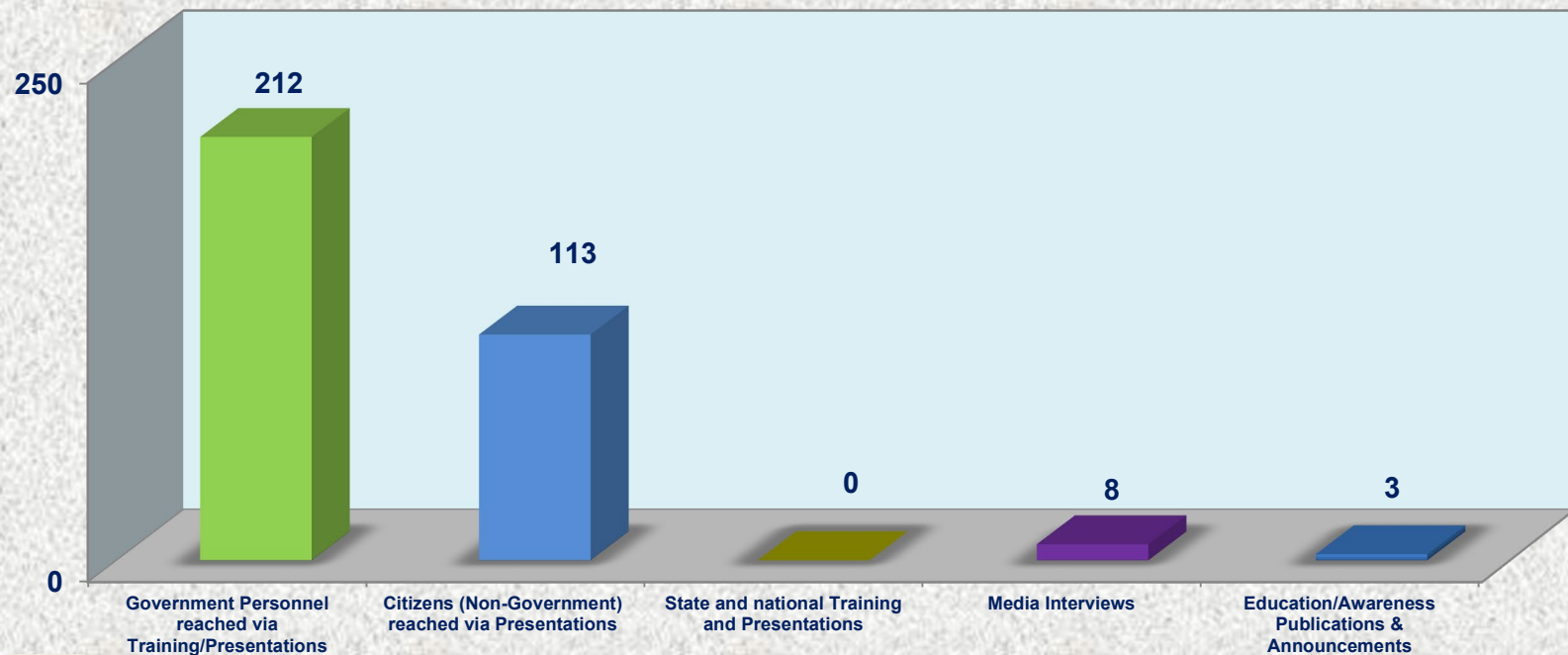
## **Training and Outreach**

# TRAINING AND OUTREACH



October 1, 2020 – March 31, 2021

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



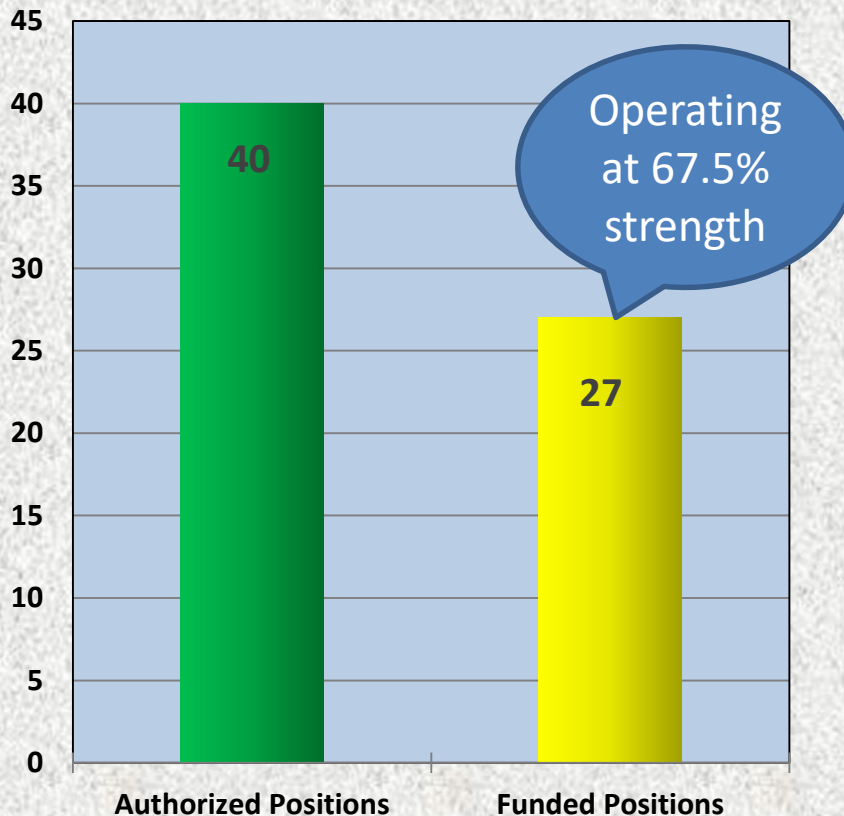


# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



## **Budget and Staffing**

# INSPECTOR GENERAL BUDGET & STAFFING



**"How could anyone think this department is understaffed?"**



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



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



# PLANS, OBJECTIVES, AND INITIATIVES



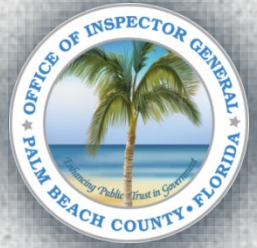


# ***INSPECTOR GENERAL'S SIX MONTH REPORT***



**June 28, 2010 – March 31, 2021**

## **SUMMARY OF MAJOR ACCOMPLISHMENTS TO DATE**



# ACCOMPLISHMENTS TO DATE

June 28, 2010 – March 31, 2021

## We Listen.

- **12,000 (+)** Hotline/Office Calls and Correspondences

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

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





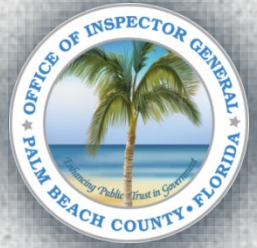
# ***ACCOMPLISHMENTS TO DATE***

**June 28, 2010 – March 31, 2021**

**We Guard and Save  
Taxpayers' Dollars.**

- **\$48.9 M Found in Questioned Costs**
- **\$24.2 M Found in Potential Cost Savings**

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



# ***ACCOMPLISHMENTS TO DATE***

**June 28, 2010 – March 31, 2021**

## **We Make Government Better.**

- **1,164** Recommendations/Corrective Actions
- **95%** Management Acceptance Rate
- Share best practices
- Prevent bad practices

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



# ACCOMPLISHMENTS TO DATE



June 28, 2010 – March 31, 2021

## We Hold People Accountable.

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

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



***THANK YOU!***

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