



SIX MONTH STATUS REPORT

October 1, 2021 – March 31, 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

OUTLINE



- **PERSONNEL**
- **OIG ACTIVITIES** (Oct 1, 2021 – Mar 31, 2022)
- **BUDGET AND STAFFING**
- **PLANS, OBJECTIVES, & INITIATIVES**
- **SUMMARY OF MAJOR ACCOMPLISHMENTS**

NEW OIG TEAMMATES



Kendra Lester
Investigator

Jimmy Collen
Investigator





STAFF ACCOMPLISHMENTS

Stu Robinson
Certified Inspector General

Tiffany Thomas
Assistant Treasurer
Southeast Florida Chapter of the
National Institute of Government
Purchasing



Kalinthia Dillard
Charter Member
PBC Sheree Davis Cunningham Black
Women Lawyers Association



INSPECTOR GENERAL'S SIX MONTH REPORT



October 1, 2021 – March 31, 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



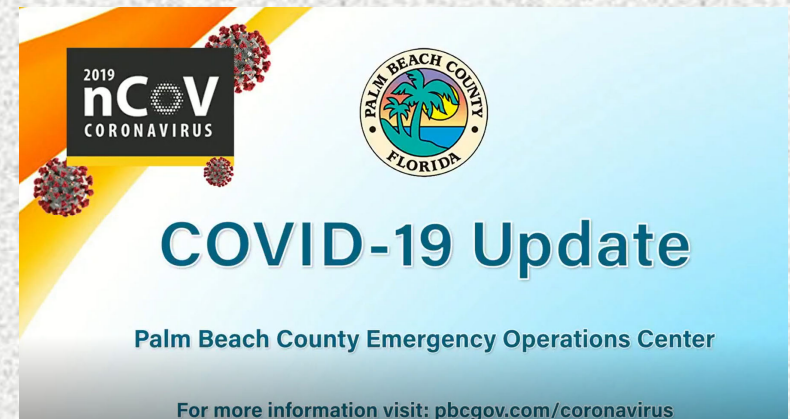
October 1, 2021 – March 31, 2022

COVID-19 Related OIG Activities

COVID-19 RELATED OIG ACTIVITIES



- The County and municipalities have received over \$750 million in federal and state COVID-19 relief funding.
- These funds are being expended on a broad spectrum of relief programs.
- Our goal is to provide independent oversight in the disbursement of these funds.



TOTAL COVID-19 RELATED OIG ACTIVITIES (MAR 12, 2020 – MAR 31, 2022)



- **162 Complaints or Intake Correspondences**
- **11 Completed Reviews/Evaluations**
- **2 Open Reviews/Evaluations**
- **10 Completed Investigations**
- **25 Open Preliminary Inquiries**
- **16 Open Investigations**
- **65 Referrals to Other Organizations**



INSPECTOR GENERAL'S SIX MONTH REPORT



October 1, 2021 – March 31, 2022

Intake and Investigations Highlights

INSPECTOR GENERAL'S SIX MONTH REPORT



Intake Activities

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

Previous 6 Months	
108	Complaints of wrongdoing
22	Intake Activities led to: <ul style="list-style-type: none">- 7 Investigation- 3 Referrals to OIG Contract Oversight and Evaluations Division- 4 Referrals to LEAs or COEs- 3 Management Inquiry- 5 Management Referrals
17	Public Records Requests

INSPECTOR GENERAL'S SIX MONTH REPORT



October 1, 2021 – March 31, 2022

Investigative Activities

	Current 6 Months	Previous 6 Months
On-going Investigations or Investigative Reviews	18	26
Referrals to Law Enforcement or to County or State Commissions on Ethics	45	6
Issued Reports	6	6
Recommendations Made	10	8
Recommendations Accepted	10	6

INSPECTOR GENERAL'S SIX MONTH REPORT



Investigative Report 2021-0009: H and G Ventures - False Statements on CARES Act Grant Applications

ALLEGATION:

- H and G Ventures of the Palm Beaches, LLC, a fitness studio, submitted Restart Business Grant applications with untrue and inaccurate statements, which resulted in receiving improper County grant funding.

FINDING: SUPPORTED

- First Grant application failed to disclose receipt of Payroll Protection Program (PPP) funding, which would have decreased the amount of Restart Business Grant funding by the amount of the PPP funding.
- Second Grant application disguised identifying information from the first application, and failed to disclose the PPP loan or the first Restart Grant.



**Identified
Costs
\$32,982**

Recommendations:

- The County seek reimbursement of \$32,982 from H and G.
- Improve measures to detect duplicate Restart Grant applications.

**Referred to
Law Enforcement**

INSPECTOR GENERAL'S SIX MONTH REPORT



Investigative Report 2021-0017: DNA Real Estate - False Statements on CARES Act Grant Applications

ALLEGATION:

- DNA Real Estate LLC, a submitted a Restart Business Grant application with untrue and inaccurate statements, which resulted in the receipt of improper County grant funding.

FINDING: SUPPORTED

- Grant application failed to disclose the receipt of Payroll Protection Program (PPP) funding, which would have decreased the amount of Restart Business Grant funding by the amount of the PPP funding.

Recommendation:

The County seek reimbursement of \$25,000 from DNA Real Estate.



**Identified Costs
\$25,000**

**Referred to
Law Enforcement**

INSPECTOR GENERAL'S SIX MONTH REPORT



Investigative Report 2021-0001: Tina White – Inaccurate Information on County Grant Program Application

ALLEGATION:

- Tina's Tires, submitted a Restart Business Grant application with untrue and inaccurate statements, which resulted in receiving improper County grant funding.

FINDING: SUPPORTED

- The Restart Grant application for Tina's Tires failed to disclose receipt of Payroll Protection Program (PPP) funding, which would have decreased the amount of Restart Business Grant funding by the amount of the PPP funding.



**Identified Costs
\$15,000**

Applicant repaid the County \$15,000; therefore, there were no recommendations in this matter.

INSPECTOR GENERAL'S SIX MONTH REPORT



Investigative Report 2021-0008: False Information on CARES Act Rental Assistance Applications-Delray Beach

ALLEGATIONS:

- A CARES Act Rental Assistance applicant provided false information in her application.
- A related applicant and his purported landlord provided false information in a subsequent application.

FINDINGS: SUPPORTED

- The first applicant submitted falsified documents to the County in support of rental assistance.
- The second applicant falsely listed a purported landlord who was not entitled to be the beneficiary of Rental Assistance funding.

Recommendation:

The County seek reimbursement of \$4,200 from the applicant.



Identified
Costs
\$4,200

**Referred to
Law Enforcement**

INSPECTOR GENERAL'S SIX MONTH REPORT



Investigative Report 2021-0008: False Information on CARES Act Rental Assistance Applications-Lake Worth Beach

ALLEGATIONS:

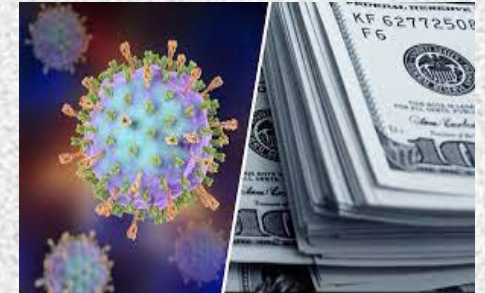
- A CARES Act Rental Assistance applicant and her purported property manager provided false information in two Rental Assistance Program applications.

FINDINGS: SUPPORTED

- Both the applicant and the purported property manager submitted falsified documents to the County in support of Rental Assistance applications.
- The applicant's roommate posed as the true property manager, when he was not.

Recommendation:

The County seek reimbursement of \$2,350 from the applicant and the purported property manager.



**Identified Costs
\$2,350**

**Referred to
Law Enforcement**

INSPECTOR GENERAL'S SIX MONTH REPORT



Investigative Report 2019-0007: Palm Beach County Electrical Repair Services Contractor

ALLEGATIONS:

- **Altima Lighting, Inc., an electrical repair services provider for the County since 2003, submitted invoices that falsely represented the source and price of materials purchased for the County.**
- **Altima did not provide contractually required original manufacturer/supplier cost documentation to the County.**



INSPECTOR GENERAL'S SIX MONTH REPORT



Investigative Report 2019-0007: Palm Beach County Electrical Repair Services Contractor

FINDING: SUPPORTED

- **Altima submitted invoices to the County from a supplier that:**
 - **Did not actually supply or manufacture those materials.**
 - **Was owned and operated by the same principals as Altima.**
 - **Was used solely to mark-up prices. Those mark-ups averaged 107.2%.**
- **Altima failed to provide the County with any cost documentation for over \$750,000 in materials costs.**

**Identified Costs
\$180,210**

**Questioned Costs
\$1,860,194**

**Estimated Overbilling
Over \$1,000,000**

Recommendations:

To enhance internal controls that the County and its vendors comply with contract terms.

***Referred to
Law Enforcement***

INSPECTOR GENERAL'S SIX MONTH REPORT



October 1, 2021 – March 31, 2022

Contract Oversight and Evaluations Highlights

INSPECTOR GENERAL'S SIX MONTH REPORT



October 1, 2021 – March 31, 2022

Contract Oversight and Evaluations

**Current 6
Months**

**Previous 6
Months**

On-going Formal Reviews/Evaluations	1	1
Issued Reports	1	0
Recommendations Made	0	0
Recommendations Accepted	0	0
Issued Tips and Trends	1	2

INSPECTOR GENERAL'S SIX MONTH REPORT



Report: CA-2021-0026: City of West Palm Beach Delinquent Account Collection Services

COMPLAINTS REFERRED FROM OIG INTAKE:

- The City's procurement staff had an improper relationship with a vendor that influenced a Request for Proposal (RFP) evaluation.
- For reasons unknown, the RFP was cancelled and rebid, resulting in a change in vendor rankings.
- The contract award was not presented to City Council for approval.



Conclusions:

- No improper relationships nor actions or influences in the award process.
- The award processes for both RFPs were properly executed and the City complied with its procurement policies and procedures for both RFPs.

INSPECTOR GENERAL'S SIX MONTH REPORT



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



INSPECTOR GENERAL'S SIX MONTH REPORT

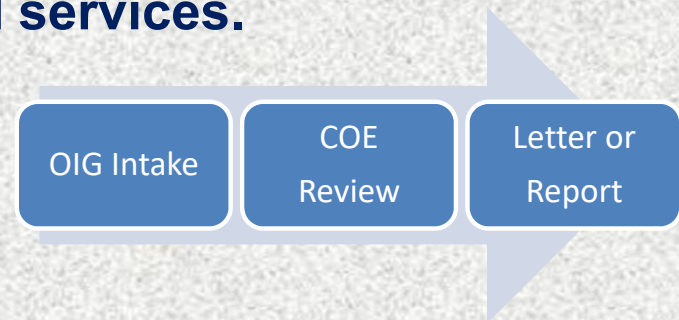


OIG Intake Referral (COE Review-No Report): Palm Tran – Inappropriate Contract Transactions

ALLEGATION: Palm Tran improperly performed numerous contract transactions related to training, real property modifications, pandemic cleaning services, planning, software, and personnel recruitment.

REVIEW: We reviewed the procurement process, interviewed the complainant and key personnel, and analyzed contract, awards, and delivery orders for a variety of goods and services.

FINDINGS: NOT SUPPORTED



INSPECTOR GENERAL'S SIX MONTH REPORT



OIG Intake Referral (COE Review-No Report): City of Boynton Beach – Town Square Redevelopment

ALLEGATIONS:

- **The City improperly awarded a Public-Private-Partnership agreement to develop land into housing and parking.**
- **The City improperly made payments----and questioned the actions of the governing body payments to the vendor, amendments to the contract, and the ownership of the land.**

REVIEW: We reviewed the contract agreements, governing directives, meeting minutes, policies, codes, rules and procedures.

FINDINGS: NOT SUPPORTED

INSPECTOR GENERAL'S SIX MONTH REPORT



OIG Intake Referral (COE Review-No Report): City of Delray Beach – Disparity Study

ALLEGATIONS:

- The City decided to reject the staff's recommendation for award of a solicitation and to resolicit the effort was improper, arbitrary, capricious, and not justified.
- City officials violated the Cone of Silence.

REVIEW: We reviewed the municipal code, solicitation documents, and the entity's purchasing policies and procedures. We also reviewed the video from the governing body's public meeting where this agenda item was deliberated.

FINDINGS: NOT SUPPORTED

INSPECTOR GENERAL'S SIX MONTH REPORT



OIG Intake Referral (COE Review-No Report): PB County – Fire Station Capital Improvements

ALLEGATIONS:

- **The County Administrator improperly cancelled the first bid justified.**
- **An elected official interfered with the award process by meeting with staff.**
- **County officials violated the Cone of Silence.**
- **The County evaluation process was not publicly transparent.**

REVIEW: We found the senior staff's decision to cancel and rebid the project was within the authority specifically granted to the position by code. Also, the actions of the elected official did not violate the non-interference clause in the entity's charter, the cone of silence was not in effect at the time vendor meetings were conducted, and the proposal review conducted by staff was proper and transparent.

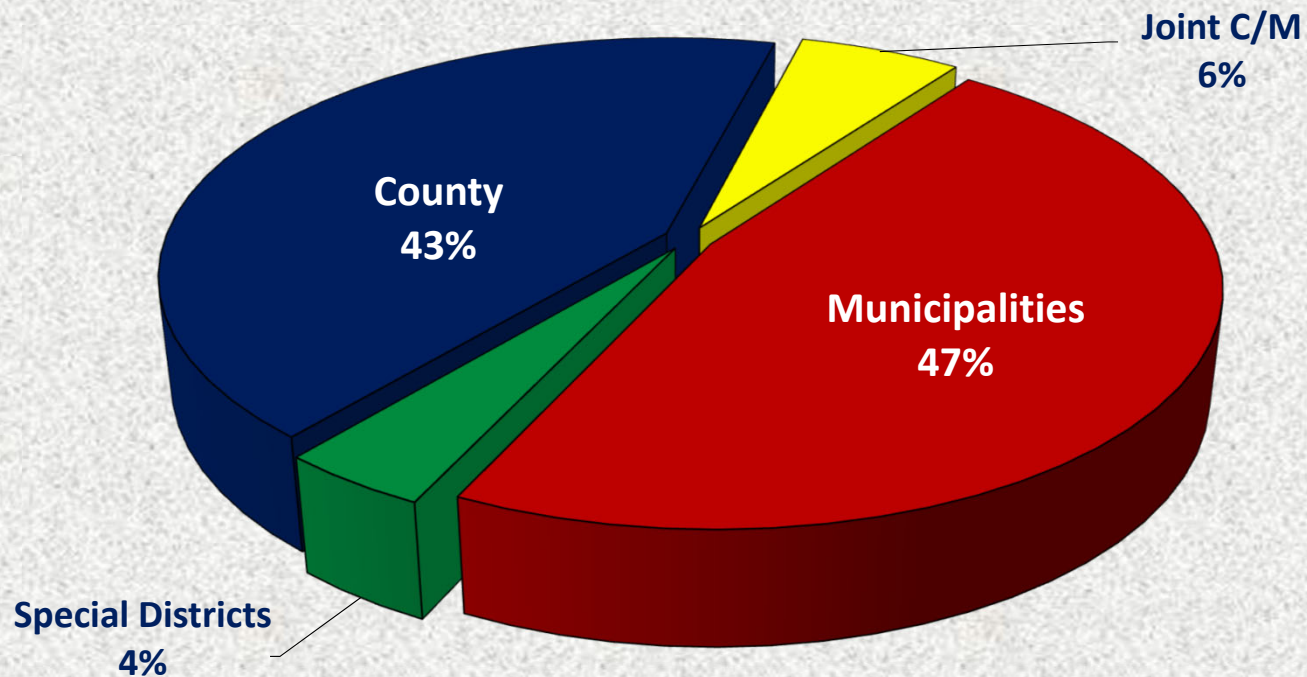
FINDINGS: NOT SUPPORTED

INSPECTOR GENERAL'S SIX MONTH REPORT



October 1, 2021 – March 31, 2022

Contract Oversight and Evaluations Monitored Activities



INSPECTOR GENERAL'S SIX MONTH REPORT



2 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



October 1, 2021 – March 31, 2022

Audit Highlights

INSPECTOR GENERAL'S SIX MONTH REPORT



October 1, 2021 – March 31, 2022

Audit Activities

Current 6 Months

Previous 6 Months

On-going Audits	12	13
Issued Reports	3	4
Recommendations Made	16	24
Recommendations Accepted	16	24
Questioned Costs and Potential Cost Savings	\$363,016	\$141,796

INSPECTOR GENERAL'S SIX MONTH REPORT



Audit Report 2022-A-0001 – City of South Bay Construction Contract

FINDINGS:

- Agreement not managed in accordance with terms and conditions.
- Contractor did not complete construction project by the Agreement required completion date.
- The City did not follow written guidance for purchasing and payment processing.
- Lack of sufficient controls for the payment process and the vendor master file.

**Questioned Costs
\$69,855.00**

**Avoidable Costs
\$21,750.00**



Recommendations:

- The City revise the Purchasing Policy and Accounting Procedures to implement payment process controls.
- The City implement a construction contract management process and establish a standard numbering convention for assigning vendor numbers.

INSPECTOR GENERAL'S SIX MONTH REPORT



Audit Report 2022-A-0002 – Town of Juno Beach Revenue

OBSERVATIONS:

- The Town had generally adequate controls in place over revenue and related cash receipt activities.
- No instances of revenue or cash receipts recorded inappropriately, and that overall, the Town made efficient use of revenue through investments.



Conclusion:

- There were no findings during the audit, therefore, no recommendations were made.

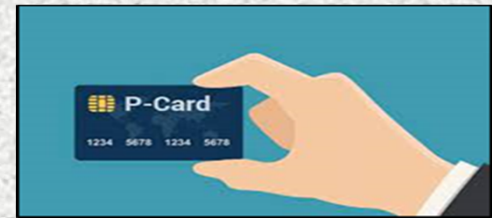
INSPECTOR GENERAL'S SIX MONTH REPORT



Audit Report 2022-A-0003 – City of Delray Beach – Accounts Payable Expenditures and Cash Disbursements

FINDINGS:

- The City did not follow written guidance for expending Law Enforcement Trust Fund monies.
- The City did not follow written guidance for purchasing card payment authorization limits.
- The City did not comply with the purchasing policy approval requirements.



**Questioned Costs
\$271,410.77**



Recommendations:

- The City comply with applicable law and written procedures for the expenditure of Law Enforcement Trust Fund monies.
- The City implement purchasing card policy dollar limitations with the purchasing card provider.
- The City implement a review and oversight process to ensure proper approval of purchases.

INSPECTOR GENERAL'S SIX MONTH REPORT



October 1, 2021 – March 31, 2022

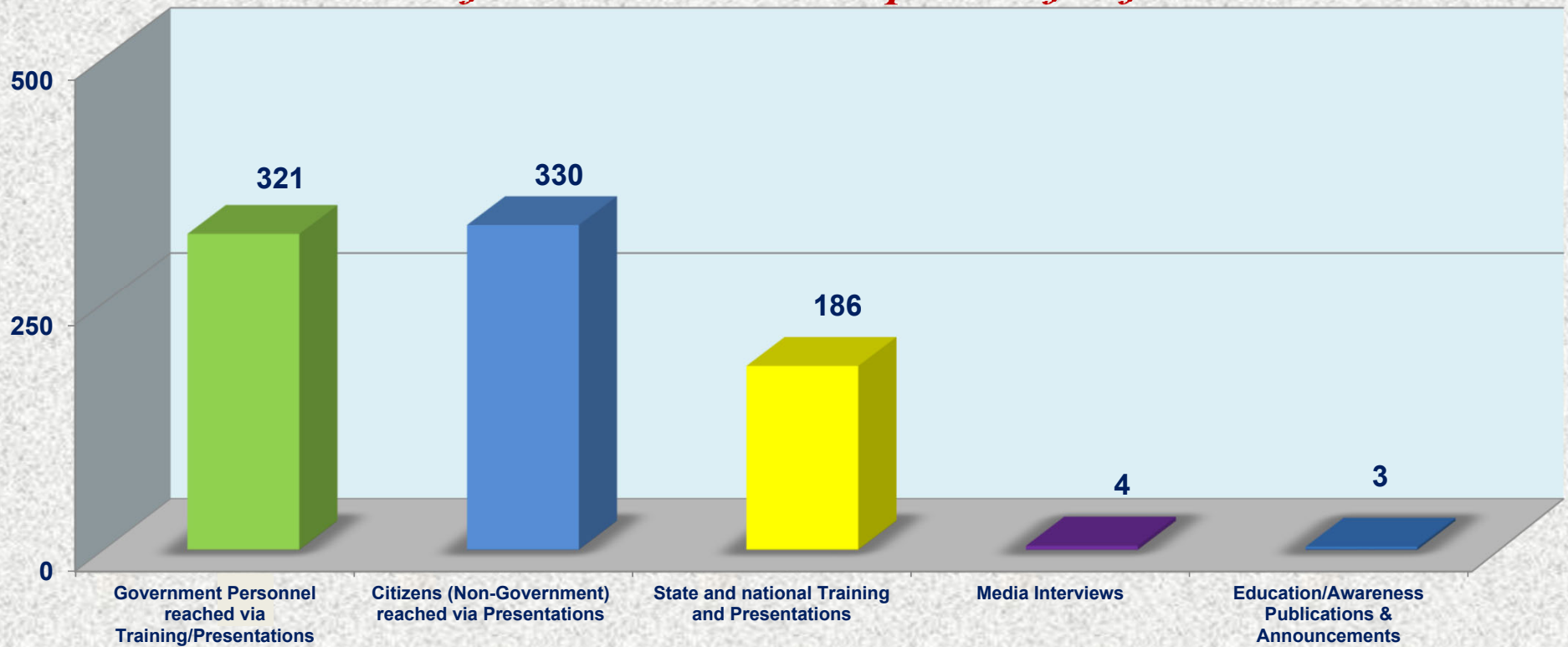
Training and Outreach

TRAINING AND OUTREACH



October 1, 2021 – March 31, 2022

An ounce of outreach is worth a pound of enforcement.





TRAINING AND OUTREACH

Education/Awareness Publications, Announcements, and Activities



COLLEGE OF BUSINESS

ACCOUNTING STUDENTS ASSOCIATION

ASA promotes interaction among students, professional accounting organizations, and the business community.

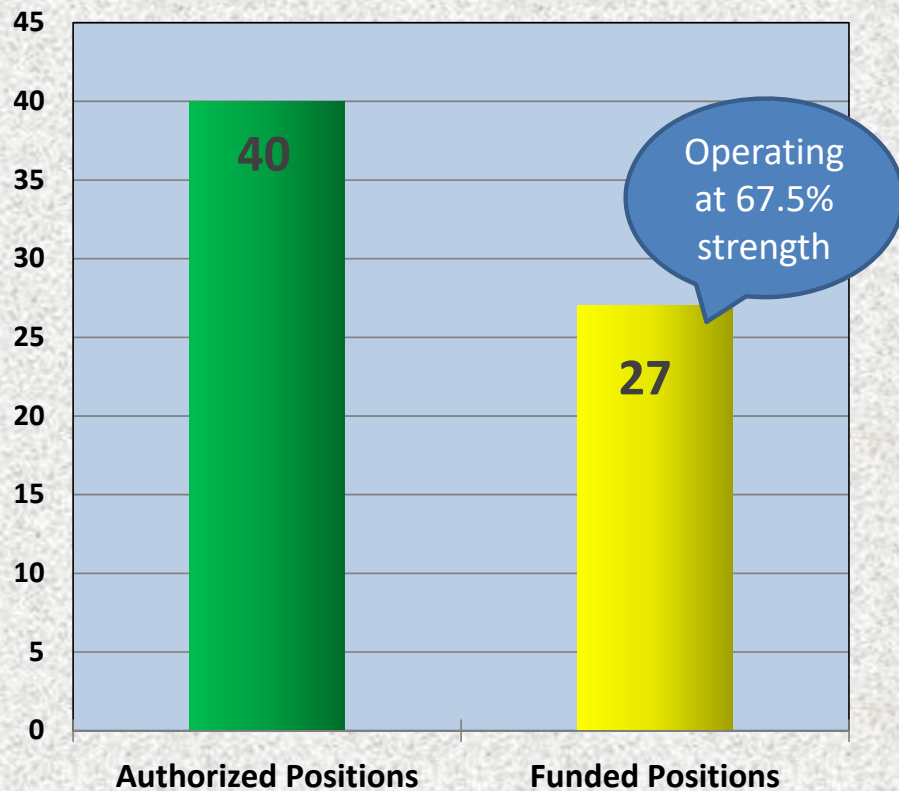


INSPECTOR GENERAL'S SIX MONTH REPORT



Budget and Staffing

INSPECTOR GENERAL BUDGET & STAFFING



INSPECTOR GENERAL'S SIX MONTH REPORT



Plans, Objectives, and Initiatives

PLANS, OBJECTIVES, AND INITIATIVES



OIG Vision Statement:

To **promote positive change** throughout local governments and public organizations in Palm Beach County with an **inspired and skilled team** that strives for **continuous improvement**.



PLANS, OBJECTIVES, AND INITIATIVES



- Continue partnership with LEAs
- Execute Audit Plan
- Increase outreach efforts



INSPECTOR GENERAL'S SIX MONTH REPORT



Fiscal Year 2022 Audit Plan – Audit Activities

In Process:

- **Carry-over Audits from Prior Year:**
 - **PBC Fire Rescue Payroll**
 - **City of Boca Raton Accounts Payable and Cash Disbursements**
- **Contracts / Agreements**
 - **PBC and The Urban League of Palm Beach County Community Based Agency Contract**
 - **PBC and Enterprise Rent-A-Car Rental Car Lease and Concession Agreement**
- **Construction Contracts – Village of Tequesta New Community Center**
- **IT Network Security (Review) – City of Atlantis**



INSPECTOR GENERAL'S SIX MONTH REPORT



Fiscal Year 2022 Audit Plan – Audit Activities

In Process (continued):

- **Management Request:**
 - **City of Pahokee Accounts Payable and Cash Disbursements**
 - **City of West Palm Beach Fire Service Assessment Fee**
- **Complaint: Town of Loxahatchee Groves Gas Tax Revenue Expenditures**

Planned:

- **Coronavirus Relief and Recovery Funds**
- **Construction Contracts**
- **IT Network Security (Review)**
- **IT Application Security Audit**



INSPECTOR GENERAL'S SIX MONTH REPORT



June 28, 2010 – March 31, 2022

SUMMARY OF MAJOR ACCOMPLISHMENTS TO DATE

ACCOMPLISHMENTS TO DATE



June 28, 2010 – March 31, 2022

We Listen.



- **12,200 (+)** 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, 2022

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



- **\$51 (+) M Found in Questioned Costs**
- **\$24 (+) 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, 2022

We Make Government Better.

- **1,222** 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, 2022

We Hold People Accountable.

- Investigations and Audits have led to **19** *arrests and/or prosecutions.*



- **258** 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