

SIX MONTH STATUS REPORT

October 1, 2022 – March 31, 2023

John A. Carey, Inspector General

OIG MISSION



- Our mission is to promote integrity, efficiency, and overall 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.

MAKING GOOD GOVERNMENT BETTER

OIG MISSION - in other words



To provide independent and objective oversight in government to:

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



Promote economy, efficiency, effectiveness, and integrity.

Root out bad

Promote good

THE SPECTRUM OF INSPECTOR GENERAL WORK



Monitor Limited Review

Teach/Train "Quick Look"

Inspection

Review

Investigation

Audit

Evaluation

Attestation

General

Specific

OUTLINE



- > REVIEW OF OIG TERMINOLOGY
- > PERSONNEL
- > OIG ACTIVITIES (Oct 1, 2022 Mar 31, 2023)
- BUDGET & STAFFING
- > PLANS, OBJECTIVES, & INITIATIVES
- > SUMMARY OF MAJOR ACCOMPLISHMENTS

IMPORTANCE OF TERMINOLOGY







QUESTIONED COSTS



Costs or financial obligations that are questioned because of:

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

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



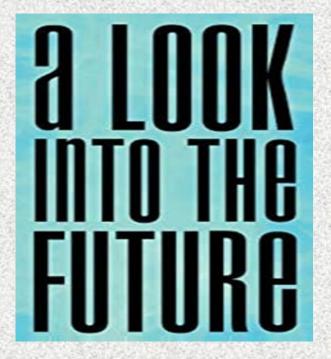
Costs that have been identified as dollars that have the <u>potential of being returned</u> to the entity to offset the taxpayers' burden.



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.



NEW OIG TEAMMATES



Sonya McNair Contract Oversight Specialist

Lisa Inkell Contract Oversight Specialist



STAFF ACCOMPLISHMENTS



Certified Inspector General Investigators

- Kendra Lester
- Tiffany Thomas
- Tesia Morris

TRAINING & CERTIFICATION



STAFF ACCOMPLISHMENTS









- Local Chapter Board of Directors
 - Chris Dyckman ACFE Membership Director
 - Hillary Bojan IIA Vice President/Treasurer
 - Tiffany Thomas NIGP Assistant Treasurer

STAFF ACCOMPLISHMENTS



- Kalinthia Dillard Recognized for Leadership and Impact in and beyond PBC
 - ➤ Legal Trail Blazer Sheree Davis Cunningham Black Women Lawyers Association & F. Malcom Cunningham Sr. Bar Association
 - > Emerald Award Girl Scouts of Southeast Florida
 - Women of Impact International Career and Business Alliance





Women *of* **Impact**



October 1, 2022 - March 31, 2023

Intake and Investigations Highlights



Intake Activities

Current 6 Months				
137	Complaints of wrongdoing			
34	Intake Activities led to: - 1 Investigation - 4 Referrals to OIG Contract Oversight and Evaluations Division - 16 Referrals to LEAs or COEs - 2 Management Inquiries - 11 Management Referrals			
7	Public Records Requests			

	Previous 6 Months				
118	Complaints of wrongdoing				
53	Intake Activities led to: - 15 Investigations - 4 Referrals to OIG Contract Oversight and Evaluations Division - 22 Referrals to LEAs or COEs - 2 Management Inquiries - 10 Management Referrals				
10	Public Records Requests				



October 1, 2022 - March 31, 2023

Investigative Activities	Current 6 Months	Previous 6 Months
On-going Investigations or Investigative Reviews	39	31
Referrals to Law Enforcement or to County or State Commissions on Ethics	13	338
Issued Reports	6	6
Recommendations Made	6	6
Recommendations Accepted	6	6



Investigative Report 2022-0007: False Information on Rental Assistance Applications - Lake Park

ALLEGATION:

➤ A Lake Park CARES Act Rental Assistance Program applicant submitted fabricated documents to the County in support of multiple rental assistance applications.

FINDING: SUPPORTED

- ➤ The applicant received a total of \$13,200 in assistance from the County. Thereafter, the applicant attempted to be paid for an additional \$5,800.
- > The information the applicant submitted was riddled with inconsistent and false information. The applicant's employer confirmed that the loss of employment documentation was fraudulent.

RECOMMENDATION:

The County seek reimbursement of \$13,200.



Identified Costs \$13,200

Law Enforcement



Investigative Report 2021-0018: Spa Tique Nails False Statement on CARES Act Grant

ALLEGATIONS:

▶ A CARES Act Restart Business Grant applicant did not disclose prior Payroll Protection Program (PPP) funding, as required.

FINDINGS: SUPPORTED

➤ Spa Tique Nails owner did not disclose the receipt of PPP funds on the Restart Grant application, as required. Had the PPP funds been reported, Spa Tique's Restart Grant would have been reduced by \$10,600.00.

RECOMMENDATION:

The County seek reimbursement of \$10,600



\$10,600 Recoupment \$10.600



Investigative Report 2021-0019: Fritz Denochamps – False Statements on CARES Act Restart Grant Applications

ALLEGATION:

➤ An applicant inappropriately received a \$4,104 CARES Act Restart Business Grant.

FINDINGS: SUPPORTED

➤ An applicant submitted a County Restart Grant application on behalf of his business, 7 Eagles, that did not disclose the receipt of CARES Act Payroll Protection Program (PPP) funds, as required. Had the PPP funding been reported, 7 Eagles' Restart Grant would have been reduced by \$4,104.00.

RECOMMENDATION:

The County seek reimbursement of \$4,104.



Identified Costs \$4,104 Recoupment \$4,104





Investigative Report 2021-0016: Inaccurate Information on Riviera Beach CARES Act Rental Assistance
Application

ALLEGATION:

➤ A CARES Act Rental Assistance applicant provided inaccurate information in her applications, which resulted in improper funding.

FINDING: SUPPORTED

The applicant submitted applications for the same location and time period after creating two separate application accounts, but with different email addresses and social security numbers. The landlord that received the assistance on behalf of the applicant was the applicant's mother.



Identified Costs \$4,500

RECOMMENDATION:

The County seek reimbursement of \$4,500.



Investigative Report 2022-0019: False Information on Palm Beach County Emergency Rental Assistance Program Lake Worth Applications

ALLEGATION:

➤ A County Rental Assistance Program applicant provided false employment information in her applications, which resulted in \$10,100 of inappropriate funding to her landlord.



➤ The applicant submitted fabricated letters from her employer that stated the applicant had a reduction in work hours. In reality, those letters and a paystub the applicant submitted with one of those applications were fabricated.

RECOMMENDATION:

The County seek reimbursement of \$10,100.



\$10,100 Recoupment \$10,100

Referred to Law Enforcement



Investigative Report 2022-0009: False Information on County COVID-19 Assistance Program Applications by City of Delray Beach Employee

ALLEGATION:

>A City of Delray Beach employee provided fabricated letters on city letterhead showing reduction in work hours to qualify for Rental Assistance.



FINDING: SUPPORTED

The applicant submitted fabricated letters on city letterhead that stated the applicant had a reduction in work hours, which resulted in \$7,007.25 of inappropriate funding to his landlord.

Identified Costs \$7,007.25

RECOMMENDATION:

The County seek reimbursement of \$7,007.25.





October 1, 2022 - March 31, 2023

Results from past Investigations



Investigative Report 2019-0005 : Pahokee City Manager Inappropriate Purchasing Card Expenditures

REPORT ISSUED: JUNE 24, 2020

ALLEGATION:

City Manager Chandler Williamson made purchases in violation of City policies.

FINDING: SUPPORTED

Expenses were not related to approved, official City business; other travel lacked travel forms and receipts.

RESULTS:

- City Manager paid City \$5,840.92 and resigned.
- Oct 26, 2022 State COE recommended the Governor issue a reprimand and a civil penalty of \$4,500.

Identified Costs \$5,840.92

Questioned Costs \$15,941.08

Recoupment \$5,840.92

Referred to Law Enforcement & COEs



Investigative Report 2020-0007: Delray Beach Reclaimed Water Reporting

REPORT ISSUED: MAY 6, 2021

ALLEGATION:

City staff and/or elected officials concealed and/or misrepresented their knowledge of issues with drinking water when documenting and reporting the City's adherence to required protocols to the Florida Department of Health (FDOH).

FINDING: SUPPORTED

>City mid-level staff were aware of at least one report of sickness caused by drinking water when, in December of 2018, the City reported to the FDOH that no reports of sickness or illness had been received.





Investigative Report 2020-0007: Delray Beach Reclaimed Water Reporting cont.

REPORT ISSUED: MAY 6, 2021

FINDING: SUPPORTED

➤ City mid-level staff were aware of at least one report of sickness caused by drinking water when, in December of 2018 the City reported to the FDOH that no reports of sickness or illness had been received.

MORE TO THE STORY: MAY 3, 2023



Delray Beach has agreed to pay \$818,500 to settle former city utilities worker [...] federal whistleblower lawsuit, which claimed she was fired for reporting that the city's reclaimed water system was making people and pets sick.

Two days after city commissioners approved the settlement at their April 18 meeting, the U.S. Department of Labor's Occupational Safety and Health Administration determined the city illegally harassed and terminated [the whistleblower] for reporting the pollution concerns....



October 1, 2022 - March 31, 2023

Contract Oversight and Evaluations Highlights



October 1, 2022 - March 31, 2023

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



CA-2021-0067: Town of Lantana Library Renovation Contract Review

FINDINGS:

- > The Town failed to promptly notify the OIG of contract mismanagement.
- > The Contractor was not compliant with Florida's E-Verify law.
- > The Contractor was not properly licensed, and the insurance certificate was altered and invalid.

RECOMMENDATIONS:

The Town update bid award and evaluation procedures to include the requirements for E-Verify, vendor responsiveness and responsibility determinations, and OIG notification requirements for contract mismanagement.

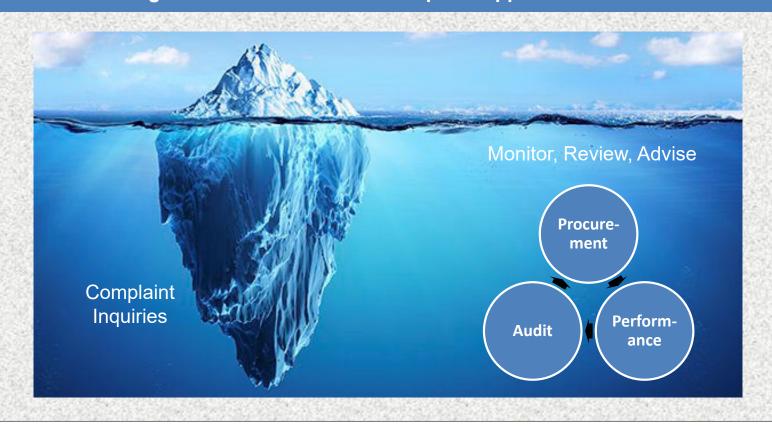


by FL Dept. of Financial Services.

QUESTIONED COSTS \$411,731.90



Contract Oversight Activities: Much of our impact happens "below the water line."





Contract Oversight and Evaluations Outreach



INTERESTED IN LEARNING
HOW TO DO BUSINESS WITH
MUNICIPAL GOVERNMENT?

Set your business up for success! Interact with purchasing managers representing cities in Palm Beach County, Gain valuable information on upcoming capital projects, the one-cent sales tax, and how your business should respond to bids and other solicitations.



This is a complimentary event.

No registration required.

Attendees will be given a discount for lunc at onsite restaurant The Dancing Crane.

FRIDAY, MARCH 24 9:00 A.M. - 12:00 NOON

Sandhill Crane Golf Club 9500 Sandhill Crane Drive Palm Beach Gardens, FL 33412

PRESENTED BY

CITY OF BOCA RATON • CITY OF BOYNTON BEACH
TOWN OF PALM BEACH • TOWN OF JUPITER
CITY OF PALM BEACH 6ARDENS
SEACOAST UTILITY AUTHORITY • CITY OF RIVIERA BEACH
VILLAGE OF WELLINGTON • CITY OF WEST PALM BEACH

WITH SPECIAL GUESTS

OFFICE OF INSPECTOR GENERAL

GUEST SPEAKER: INSPECTOR GENERAL JOHN CAREY

PALM BEACH COUNTY COMMISSION ON ETHICS

HOST CITY Gardens





vital in the fight against procurement fraud and corruption.

Procurement officials are uniquely positioned to be the only ones who can identify the indicators of procurement fraud and corruption in real time. Law enforcement and auditors see these signs only after the crimes have been committed — if at all. If you identify any of these red flags, report them to the Office of Inspector General.



Report suspicious procurement activity to your Palm Beach County Office of Inspector General.

Email: Inspector@pbcgov.com/org

Office of Inspector General

100 Australian Avenue, 4th Floor

HOTLINE: 877-0IG-TIPS
Phone: 561-233-2350

reflect possible indicators of nd corruption derived from e. This is not an exhaustive list The red flogs do not represent recommendation regarding I of procurement actions, or Palm Beach County Office of Inspector General



The **RED FLAGS**

of Procurement Fraud and Corruption





OIG Intake Referral (No Report): PBC PACE Program Complaint - Ygrene

<u>ALLEGATION</u>: A homeowner alleged a PACE contractor did not complete installation of hurricane windows even though the contractor was fully paid and the tax bill assessed. This matter was referred to the PBC Office of Resilience (OOR) as a management inquiry.



FINDING: SUPPORTED

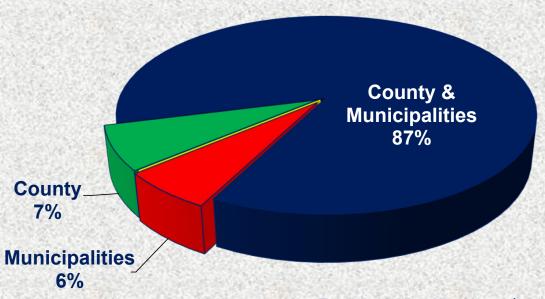
- The project was not completed due to missing trim pieces caused by the pandemic and overseas supply chain issues.
- A third party vendor erred in the homeowner sign off process prior to completion, which resulted in payment to the contractor, and the added tax roll assessment.

RESULTS: The PACE provider (Ygrene) completed the project, passed code inspection, corrected the tax roll assessment, and compensated the homeowner for the taxes paid.



October 1, 2022 - March 31, 2023

Contract Oversight and Evaluations Monitored Activities



Total Activities Monitored \$749M



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



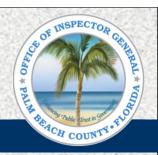
October 1, 2022 - March 31, 2023

Audit Highlights



October 1, 2022 - March 31, 2023

Audit Activities	Current 6 Months	Previous 6 Months
On-going Audits	8	11
Issued Reports	4	1
Recommendations Made	31	9
Recommendations Accepted	18	9
Questioned Costs and Potential Cost Savings	\$166,696	\$89,925
Issued Tips and Trends	1	1



Audit Report 2023-A-0002 - Palm Beach County Contract- Urban League of Palm Beach County

FINDINGS:

- > The County compensated the Agency for units of service that were not within the contract terms and scope of work or lacked sufficient documentation.
- > The County compensated the Agency for payment requests that lacked original and properly signed cover memos as required by the Contract.

Questioned Costs \$61,318.26

Identified Costs \$88,442.26



- ➤ Consider recouping the \$88,442.26 paid to the Agency that was not within the contract terms and scope of work.
- ➤ Enhance County review of payment requests to identify units of service not within the contract terms and scope of work, and ensure the cover memos are originals and properly signed.



Audit Report 2023-A-0003 – City of Boca Raton Accounts Payable Expenditures and Cash Disbursements

FINDINGS:

- > By splitting purchases, the City did not always comply with its purchasing card dollar threshold.
- ➤ The City did not always comply with its purchasing card purchase documentation requirement (lacked sales receipt and/or gift card documentation).



Questioned Costs \$16,935.14



- > Enhance the review and oversight process to ensure split transactions do not occur.
- Enhance the Purchasing Card Policy and Procedures Manual guidance regarding split transactions.
- > Comply with written procedures for purchasing card documentation.



Audit Report 2022-A-0001 - Town of Highland Beach - IT Network Security Review

FINDING:

➤ The Town lacked sufficient written guidance for certain IT processes.





- > Implement written guidance for IT processes.
- Provide ongoing training to ensure staff are aware of roles and responsibilities related to asset/component sanitization and disposal; incident response and contingency/recovery processes; and access control management.



Audit Report 2023-A-0004 - City of Atlantis - IT Network Security Review

FINDINGS:

- > The City lacked an accurate inventory list of network system components.
- > The City lacked cybersecurity training.
- > The City lacked sufficient written guidance for certain IT processes.





- Maintain an asset inventory list that includes all network components/devices.
- > Establish a cybersecurity training program.
- > Implement written guidance for IT processes.



October 1, 2022 - March 31, 2023

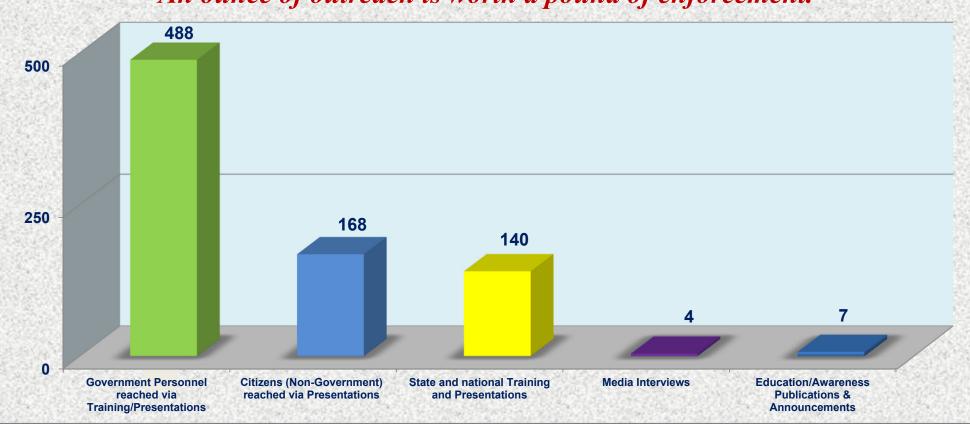
Training and Outreach

TRAINING AND OUTREACH



October 1, 2022 - March 31, 2023

An ounce of outreach is worth a pound of enforcement.



TRAINING AND OUTREACH



Education/Awareness Publications, Announcements, and Activities







GUEST SPEAKER: INSPECTOR GENERAL JOHN CAREY



March 21, 2023
8am-10am
NonprofitsFirst

PANEL DISCUSSION

Schemers, Fraud, and the Exploitation of Pandemic Funding and Other Nonprofit Concerns

Guest Moderator - Peter L. Cruise, PhD,
Executive Director, LeRoy Collins Public Ethics
Academy and Nonprofits First Board Member



Dave Aronberg
State Attorney,
Palm Beach County



Rod Davis CEO President, BBB Serving



John Carey Inspector General Palm Reach County

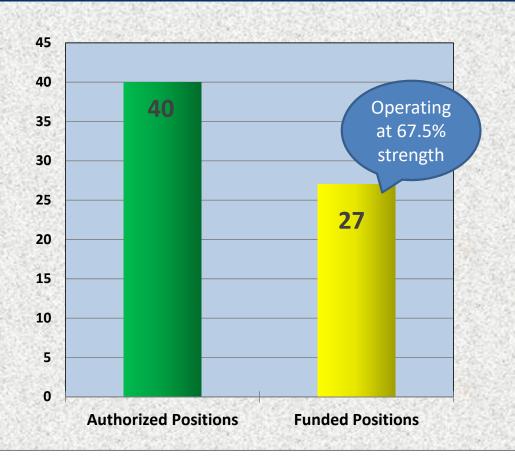


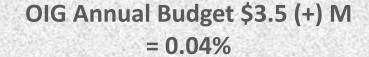


Budget and Staffing

INSPECTOR GENERAL BUDGET & STAFFING









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



Plans, Objectives, and Initiatives

PLANS, OBJECTIVES, AND INITIATIVES



Palm Beach County
Office of Inspector General





Strategic Plan 2023 - 2028

Insight Promoting efficiency and effectiveness

Oversight

Holding governmen accountable Foresight
Preventing fraud,
waste, and abuse

"Enhancing Public Trust in Government"

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

 $\underline{\mathbf{P}}$ rofessionalism – 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.

<u>D</u>edication – We are dedicated to our purpose, our work, and the people we serve.

Excellence – We strive for excellence in everything we do.

PLANS, OBJECTIVES, AND INITIATIVES



Strategic Goals:

Deliver results that promote integrity, excellence and accountability in government.

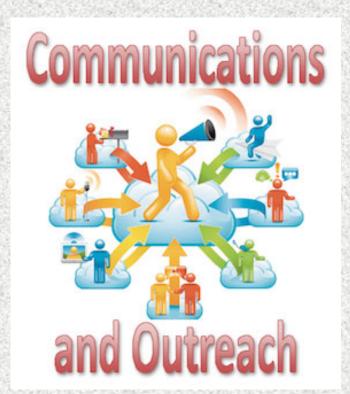
Strengthen relationships and build trust with external stakeholders.

Maximize organizational effectiveness.



PLANS, OBJECTIVES, AND INITIATIVES













New Hotline Number! 877-OIG-TIPS



June 28, 2010 - March 31, 2023

SUMMARY OF MAJOR ACCOMPLISHMENTS TO DATE



June 28, 2010 - March 31, 2023

We Listen.



> 12,900 (+) Hotline/Office Calls and Correspondences

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



June 28, 2010 - March 31, 2023

We Guard and Save Taxpayers' Dollars.



- >\$52.8 (+) M Found in Questioned Costs
- >\$24.8 (+) M Found in Potential Cost Savings



June 28, 2010 - March 31, 2023

We Make Government Better.

- > 1,278 Recommendations/Corrective Actions
- > 91% Management Acceptance Rate
- > Share best practices
- Prevent bad practices





June 28, 2010 - March 31, 2023

We Hold People Accountable.

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



▶ 650 referrals to Law Enforcement or Ethics Commissions.





THANK YOU!

visit us online at www.pbcgov.com/OIG